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ABSTRACT

At the meeting reported in this document, 65 union leaders and staff interacted with officials from 16 colleges and universities and 8 higher education associations to discuss and report on issues of labor-higher education collaboration. These edited proceedings include the following presentations: "Developing the Intellectual Equivalent of Keynesian Economics" (Marshall); "Challenges for Solidarity: Labor in the 1990s" (Donahue); "Labor from the Perspective of the Academy" (Corrigan); "Labor Solidarity in the 1990s" (Miller); "European Community '92" (Gittelman); "European Trade Unions and EC '92" (Van Rens); "EC '92: The United States Perspective" (Anderson, Murphy); "Legislative Cooperation: Common Interests" (Saunders, McGlotten); "Labor-Higher Education Alliances That Work" (Liston, Beller, Haynes, Schrier); and "First-Year Progress Report on the Bush Administration" (Schneider). Appendices provide group reports on new dimensions for labor and higher education cooperation and a listing of the meeting participants. (CML)

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BUILDING LABOR/CAMPUS ALLIANCES

Labor/Higher Education Council

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Edited Proceedings
of the
NATIONAL MEETING
November 30-December 1, 1989

CE 055 315

BUILDING LABOR/CAMPUS ALLIANCES

Labor/Higher Education Council

Sponsored jointly by
the American Council on Education
and
the American Federation of Labor
and Congress of Industrial Organizations (AFL-CIO)

Edited Proceedings
of the
NATIONAL MEETING

November 30-December 1, 1989

Graylyn Conference Center
Wake Forest University, Winston-Salem, NC

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The Labor/Higher Education Council

The Labor/Higher Education Council brings together trade union leaders and college and university presidents and chancellors along with the CEOs of higher education associations to discuss issues of mutual concern. Leaders in the American Council on Education and the AFL-CIO agreed in 1983 to found the Council as an institutional membership organization to further understanding and joint activities between these two major segments of American society.

The Council is unique in pursuing these goals on a national level as there is no other similar forum for union and higher education leadership to meet in both formal and informal exchanges. The Council holds an annual National Meeting and publishes the meeting proceedings. It also develops and disseminates joint statements on labor-higher education issues of shared interests. Priorities for the next year or two are to follow the administration's legislative agenda with regard to worker-learner issues, to promote state level labor-higher education partnerships, to document exemplary programs with labor/higher education collaboration and communicate them to both sectors, and above all, to continue the invaluable dialogue initiated through the Council in 1983 which continues today.

Council Objectives

The Council's objectives are:

1. To advance mutual understanding between the American labor movement and American higher education by serving as a forum for ideas and contacts and through exchanges at periodic meetings.
2. To affirm common positions of the American labor movement and American higher education on national problems and matters of mutual interest, and—when appropriate—to engage in coordinated activity in their support.
3. To facilitate understanding on the nation's college and university campuses of the character of work in America and the American labor movement; similarly, to facilitate understanding within the labor movement of the purpose and practice of colleges and universities in American society.
4. To determine ways colleges and universities can improve their educational programs to meet the needs of the labor movement, and ways the labor movement can be supportive of the goals of higher education.

The National Meetings

The Council has held National Meetings in 1983 (George Meany Center for Labor Studies), 1985 (University of Houston), 1986 (George Meany Center), 1987 (San Francisco), 1988 (Maritime Institute of Technology and Graduate Studies), and 1989 (Graylyn Conference Center, Wake Forest University).

The National Meeting attracts between 50-75 union and higher education leaders, and includes a blend of outstanding speakers and panelists with opportunities for intensive interaction and small group discussion. Informal dialogue is encouraged. Periodically, the Council issues joint statements on important legislativ. issues of mutual concern.

Guiding Principles

At its 1988 meeting, the Council agreed on the following basic principles to guide the Council's activities:

- A well-educated, well-trained, and fully-employed work force is essential to America's economic, social, and political well-being.
- Our goal is an educated and trained work force to close the gap between worker education levels and skills and the emerging work force needs of the 1990s.
- Increased investment in education and training at all levels, including research, is the principal means whereby America in the long run can increase productivity, keep pace with technological change, improve worker quality of life, enhance civic competency, and enable America to be strong and internationally competitive.
- Workers should maximize their educational potential through formal and informal education and training programs, and barriers to increased education opportunities for workers and their families should be removed.
- Minority recruitment, access, enrollment, and retention should be a critical element of any strategy to increase worker participation in higher education.
- Greater priority should be given by organized labor, higher education, management, and government to worker skill upgrading and retraining, with collectively-bargained and employer-sponsored education benefit plans providing replicable models for effective worker education and training.
- Adequate funding is a major barrier to worker participation in higher education, and Congress should establish adequate budget ceilings for education programs in the budget resolution process which enable workers and their families to meet college costs.

- Labor and higher education have a community leadership role in the eradication of problems associated with functional illiteracy in the work place.
- Local and state-level labor/higher education partnerships and joint programs can be effective in fulfilling the Council's objectives and principles.
- Labor-campus relationships can be strengthened by creating and communicating exemplary union/higher education collaboration in teaching, research, and community service.
- Worker learners and their families need quality educational services, and the multiple suppliers of educational services should assure such quality through accreditation, licensure, and other means.
- Governmental policies should facilitate the return of workers to education and training, which may require changes in policies that discourage worker participation in education and training (e.g., child care, parental leave, funding programs, no taxation of educational benefits, and no penalties for unemployed persons returning to education).

Preface

This volume results from the Labor/Higher Education Council's national meeting held at the Graylyn Conference Center on the campus of Wake Forest University, November 30-December 1, 1989. The meeting theme, "Building Labor/Campus Alliances for the 1990's," arose from a sense on the Council's Steering Committee that there is substantial labor-higher education collaboration and the Council had a responsibility to support and report on these activities.

The speakers, panelists, and discussion leaders come from the ranks of the Council's membership in our colleges and universities, the higher education associations, and the international unions, national AFL-CIO staff, and state AFL-CIO federations. Outside speakers were invited for special presentations.

The meeting flow included formal presentations, discussion group responses, a video interview with an international trade unionist, the generation of ideas in small groups for the Council's future agenda, and presentations of examples of successful labor-campus programs and initiatives.

Sixty-five union leaders and staff interacted with officials from 16 colleges and universities and 8 higher education associations in the 24-hour program. They heard Ray Marshall, former Secretary of Labor, talk about the need for educated workers in the information society and how information technologies and the internationalization of economic activity has made national economies obsolete. Thomas R. Donahue, AFL-CIO Secretary-Treasurer, talked realistically about labor's solidarity and prospects for growth in the 1990's, with strong endorsing responses from Robert Corrigan, President of San Francisco State University and Joyce Miller, President of the Coalition of Labor Union Women. On EC '92, a topic just emerging in labor and higher education discussions, Michelle Gittelman of the UN offered her insights on implications of the coming together of Europe, while Joseph Murphy, CUNY's Chancellor and Mark Anderson of the AFL-CIO provided their perspectives, along with a taped interview with Johan Van Rens, Netherlands Trade Union Confederation.

Robert McGlotten of the AFL-CIO's Legislative Department and Charles Saunders, his counterpart at ACE, jointly described legislative concerns of the two organizations and ways they are cooperating. New ideas for the Council's agenda emerged from small group discussions led by labor and higher education leaders. And Edward Liston, President of the Community College of Rhode Island, led a panel on several projects that illustrate strong cooperation between labor and higher education. William Schneider, political analyst and journalist, closed the meeting with a review of the Bush administration's first year.

This publication was produced with the cooperation of the ACE and the AFL-CIO, and the support of the senior leadership of these organizations has been instrumental in the Council's continuity. Thus, the Council acknowledges

the leadership Robert Atwell, President of ACE, Lane Kirkland, President of the AFL-CIO, and Thomas R. Donahue, Secretary-Treasurer of the AFL-CIO, have given over the years to the Council's work. Dorothy Shields, Director, Department of Education, AFL-CIO, and Judith Eaton, ACE Vice President, assist the Council's Steering Committee and staff.

Labor/Higher Ed Council Seeks Aid for Needy Adults

HIGHER EDUCATION & NATIONAL AFFAIRS

Strategic Planning Stressed to Labor, Ed Leaders

Higher Education & National Affairs

Higher Education and Labor Groups Meet To Begin Cooperative Effort

Labor, Higher Ed Officials Set Priorities

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ilitary Personnel
rsuing Degrees

HIGHER EDUCATION & NATIONAL AFFAIRS

Labor, Academic CEOs Work 'To Bridge the Gaps'

AFL-CIO news

Higher education council drafts agenda

Conference explores ways to widen training opportunities

Strategic Planning Can Help Solve Future Problems

Labor and Higher Education: Issues for the 1990S

Developing the Intellectual Equivalent of Keynesian Economics

Ray Marshall

Ray Marshall is Rapoport Centennial Professor of Economics and Public Affairs, The University of Texas at Austin, and former Secretary of Labor.

Labor and Higher Education

Many of us have been advocating this Council for a long time. You are not involved in a lock-step agenda, you don't have identical agendas, but you have the ability to work on things you have in common. It appears that the overlapping of your agendas is growing.

I think organized labor offers higher education an opportunity to ask real questions about the real world. It offers higher education an opportunity to help labor erase the anti-worker, anti-democratic, and elitist bias we so often find among American managers. For labor's part, it has often been suspicious of intellectuals and abstract thinkers, people who are too theoretical and not practical enough.

I see increasing overlap as workers become more abstract, more intellectual, while those who are more abstract become more practical. Out of this I see learning as one of the most important things going on in the world—for both labor and higher education. Learning is becoming more and more critical in a world where it is difficult to know what is going on. Some call this the "information society."

Colleges and universities respond to power, and where labor unions are strongest, colleges and universities have been most responsive. And labor unions themselves are strongest when intellectuals are involved, so I would like to argue for the reestablishment of strong intellectual support for free and democratic labor unions.

Intellectualism, labor, and higher education have another dimension. What we may need in our country is to develop the intellectual equivalent of Keynesian economics, using our intellectual capital in the pursuit of full employment and high economic growth. As you know, Keynesian economics dealt with

"Organized labor offers higher education an opportunity to ask real questions about the real world."

national economics, but national economies are becoming less relevant in our age of an internationalized economy. We need a rethinking of economic policy and our economic system, thinking that includes strong worker participation. We'll never obtain Keynesian full employment and high economic productivity and growth unless workers are educated and fully involved in decisions about the productive process. Morally, you simply cannot have a free and democratic society without free and democratic trade unions. Justice Brandeis once said, "It is unjust to think of equal treatment of unequals." Workers have to be involved as equals.

The Demise of Authoritarian Management

Traditionally, we needed unions for a balance in work place rules, e.g., "Taylorism" and the movement by management in the 1920s and 1930s to increasingly rationalize productivity. It was important for management at this time to take labor out of competition and promote higher efficiency and stability through higher wages. So unions became necessary to strengthen the productive system, promote prosperity, and sustain economic growth. The mass production system, Keynesian economics, and collective bargaining together provided us with the longest period of equitably shared growth in our history.

Keynes, as you'll recall, focused on purchasing power and price and wage stabilization for mass production. The consequences were sustained prosperity and broad intellectual support for unions and the value of collective bargaining. Workers had a stake in the system through their unions, and after World War II, the average worker was better off than ever before as increased demand and economies of scale helped to fuel the growth. Even so, the mass production

system was essentially authoritarian, and in turn affected other institutions—particularly schools and the government—both of which are now in need of restructuring. Business, education, and government all have to become more consumer or client-oriented, with increased accountability. They should be judged not just by observing the rules, but judged by their outcomes.

Internationalization of Technical Change

The recent internationalization of technical changes has affected both economic systems and labor market demographics. For our own economy, the secret of our success has been Keynesian—economies of scale and mass production, and abundance of natural resources subsequently replaced by human resources as the key to productivity. Knowledge began to be substituted for physical resources, and increasingly, technology helped to make both standardized mass production and natural resources less important.

"We'll never obtain Keynesian full employment and high economic productivity and growth unless workers are educated and fully involved in decisions about the productive process. Morally, you simply cannot have a free and democratic society without free and democratic trade unions."

How did the changes brought about by technology and the information society affect unions? One effect has been to weaken traditional procedures for taking labor out of competition, thereby giving managers more power. Also, as defenders of the national mass production system, some unions have been put into the position of defending the status quo and privileged position, in effect, resisting change through archaic work rules and failure to reach out to minorities for employment and unionization. The internationalization of technical change has also made it much more difficult for unions to defend relatively high wages for relatively unskilled workers.

It has also destroyed Keynesian economics, especially the concept of increasing consumption leading to increased investment. Increased investment continues, but it is not in the United States.

Consider the production system itself. The old system meant productivity and stability. It was "producer driven" with quality as a secondary considera-

tion. The new, information-based system is "consumer driven," where quality is a factor in meeting consumer needs. And increased quality has to depend on decentralization of decisions at the work place—every step is important.

With increased information systems and decentralization, we will find more and more "self-managers," with traditional managers becoming less authoritarian and more facilitative, with decontrolled work places, and with worker control where workers make the machines work.

The consequence of this form of "indirect work," managed by people contrasted with "direct work" dictated by machines, will be the requirement for more and more worker skills and increased attention to data and communications along with abstract learning. In our traditional mass production system, technology was standardized and unskilled workers could handle it. Now, unskilled workers are facing flexible automation and complex systems. We have Star Wars alongside functional illiteracy.

"With increased information systems and decentralization, we will find more and more 'self-managers,' with traditional managers becoming less authoritarian and more facilitative, with decontrolled work places, and with worker control where workers make the machines work."

So technology now requires increased information to do a job, with increased skills required. It requires imposing order on chaotic data. "Indirect work" leads to group work, increased communications, increased use of thinking processes where everyone has the same information. But management cannot control thinking, unlike its ability to control "direct work," and if indirect work is used effectively, it will eventually reduce management control.

New work place conditions will be required, especially a highly-skilled, educated work force, taking the top graduates at all levels in the search for productivity, quality, and flexibility. Those without higher order thinking skills will be left behind, and may find the transition to work difficult. People in poverty, poor families tend to have poor learning systems and will continue to be left behind.

Implications for Unions

These trends tend to weaken those unions that are inflexible, that support the "rules," that are not open to change and expansion, that protect inefficient

workers, and that preserve wages rather than the competitiveness of the whole system. Unions also have great opportunities in the information society. As we witness increases in indirect work, there will be agreement on common objectives, improved information sharing and learning, building of an alternative work place system, an effort to control technology, and the need for the independent power unions bring to protect worker interests.

Unions, above all, protect workers' interests, and will undoubtedly extend this representation and protection to workers' rights as owners as well. Unions will have to articulate, with colleges and universities, an alternative to the Keynesian mass production system, and work with management to strengthen human resource development. This will mean support for school reform—involving teachers' unions—to get a good education for all children. Unions will be more concerned with the education of their own members in people-oriented training, and increasingly include education in collective bargaining. It also means use of union pension funds to improve the operation of financial markets and to create jobs.

Companies are also dealing with a new world, where learning is the most important thing happening on the job, where learning itself is a skill. But they have to realize they will not have good education and training programs without including workers from the start. Management currently puts $30 to 40 billion into formal training, but these are subsidies for management, not for blue-collar workers. We're now dealing with brains and hands.

Labor in cooperation with government has to continue to be aware of the need for economic justice and the continued unequal distribution of income, brought about in part from successful collective bargaining. Unequal income

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distribution threatens both the economy and our democratic system. Workers have to be encouraged not to resist technological change, but to learn to control it, as it struggles for more equitable distribution. Unions, therefore, have become more important for workers than ever. The world is more complex and workers are becoming much more important for the production system. Work-

ers will be unwilling to go all out unless they have an independent source of power to protect themselves in the process. And unions are still needed to protect workers from competitive market forces—except now in the international context.

Unions have always performed well in training apprentices and on-the-job training. Now, as education and training becomes more important, unions can see to it that education and training funds are equitably used, and that such education and training is of good quality.

If labor works to strengthen the productive system, it serves also to strengthen management systems. But increasingly, management functions in the information society are being performed by workers themselves. Finally, internationally, unions can work to strengthen the international economy and increase labor standards everywhere, thereby helping to take labor out of competition and avoiding the problem of bad labor standards driving out good labor standards. Labor continues to have a vital role in the domestic and international productive systems, and a role in promoting international workers' rights.

Discussion

RONALD BELLER: We are particularly interested in what higher education can do. Our institutions were referred to as "elitist" and "stiff"—but this doesn't relate to all our institutions. You talked about cost containment, flexibility, community needs, and expectations for this Council as well as the resources to carry out the programs. So what are your suggestions for higher education?

RAY MARSHALL: In our system of higher education, you do find diversity and the modern college or university tends to be a lot more flexible than previously, but they don't dominate the system. The dominating institutions tend to be the major research universities. The community colleges and other newer institutions fill a void and do what the more established universities don't want to do. Just as in the auto industry, or even in countries, newer countries with more modern production systems have an easier time adjusting to new conditions—the same with newer colleges. When we say our universities are world class, we mean the research institutions, not the community colleges and the four-year institutions.

I believe pure research will come to be looked on like defense spending. It doesn't strengthen the economy unless it is translated into products available to everyone. The critical question is what happens to our schools, our colleges and universities, which in turn affects what happens in the work place. The learning system is key, and authoritarian universities or companies can't have good learning systems. They create obstacles to learning through their monopoly of information. The university has to come back to its main function—teaching.

Here is where they have to be accountable—for their teaching. I would advise universities to be more concerned about the education of workers, not just "worker education." There's a difference. The education of workers has to permeate the institution, not just single departments where it can be isolated, like Black Studies.

Higher education has to be more responsive to the learning needs of workers, do more research on worker's problems. American companies do a lot more research on learning than colleges and universities. Universities could

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also do more research on collective bargaining in our economic system, and why you can't have a high wage, democratic system unless workers have the right to organize and bargain collectively. This kind of legitimizing of the role of collective bargaining by academics is important. Being pro-union is not being anti-business. More and more businesses will see they are going to have trouble making it without unions. Unions and businesses have common interests. We have to recognize the need for a participatory system within our institutions—by workers, faculty, and students—to create more efficient learning systems.

JACK GOLODNER: You said we needed models. Can you cite any examples of societies which have used a strongly participatory approach to learning and to the economy?

RAY MARSHALL: Perhaps the best example is Sweden, with fewer resources than we have. Their wages are higher and they are moving towards a high wage, full employment (less than 2 percent unemployment) society. Over 85 percent of the workers are organized, so if you want to see what would happen if workers had more control of the system, look at Sweden. How do they get high wages and full employment? Because they don't let the government or

workers subsidize marginal, inefficient industries. In this view, if a company can't pay a living wage, it ought not to be in Sweden. We have to come to recognize that when we raise wages, like the minimum wage, some industries will no longer be able to hire some workers, because the workers were subsidizing them. So the key is an educated work force. In Sweden, about 11 percent of the GNP is spent on education, probably the highest in the world.

For example, when the Social Democrats came back into power in 1982, they closed down industries that could not pay the Swedish wage, e.g., ship building and other traditional industries like garments and textiles. No worker lost a job or income as a result of that policy. They closed the shipyard at Uddevalla and immediately enabled the shipyard workers who wanted to work for Volvo to be retrained. It was a positive adjustment.

Also, if we look at the system Volvo uses to make cars, it is much more efficient than any Japanese system. The big difference—the workers have much more control at the work place at Volvo than in any Japanese firm. Workers on the Board of Directors police themselves, and as the Chairman of Volvo recently said: "We didn't do this because we love the workers. We did it because you cannot put together a modern industrial system, with modern technology, without well-educated, well-trained, and highly motivated people. Therefore, we changed the system to attract those kinds of people." The workers make the system work. And Volvo is 30 percent more efficient than Ford, one of our best companies.

Volvo is a system with no front-line managers. Workers are on the Board of Directors. They work in teams deciding their work patterns, and spend a lot of time learning, including learning from each other.

In a system where you have common interests, everyone has to have some information, everyone has a part to play. If you don't have the same information as management, it can't work. And it depends to a great degree on the strength of the unions to give the workers a voice in company decisions.

EDWARD LISTON: Do workers really want to participate in the management process?

RAY MARSHALL: Some do, some don't. What we find when we restructure a school is that some teachers can't stand being their own managers. Some workers can't—they get out of it. Most workers like it. Most people like to have control of their own affairs. Not many people like to be treated like children. Unions tell me they are sometimes trying to catch up with their members on this issue.

The assumption is that the people who are doing a job know their work better than anyone else, and will want to improve it, to be part of the system.

Challenges for Solidarity: Labor in the 1990s

Thomas R. Donahue

Thomas R. Donahue is Secretary-Treasurer of the AFL-CIO

This year is the sixth year for the Labor/Higher Education Council, and my fondest hope is that it will continue to grow. We are also observing this year the 20th anniversary of the George Meany Labor Studies Center and the 10th anniversary of the George Meany Memorial Archives on the Center's campus.

The Center embodies Samuel Gomper's hope in 1914 that labor will create a national resource center in Washington for students interested in the labor movement that could become a power in the educational world. Gompers thought labor needed such an institution: "Those who control the sphere of thought control the most powerful forces in the lives of men. When workers infuse their context, the principles deduced from their experiences and their psychology into study, instruction, and intellectual production, they secure a tremendously advantageous position for their cause—which is the cause of justice."

At the same time, Gompers spoke hopefully of the university as a power with which labor can establish friendly, cooperative relations, a power that has been left too long to organize hostility to the best interests of workers. The utility of the labor-higher education relationship is much broader today, as evidenced in the Council, but Gompers believed that, properly approached, universities could be inspired "to offer more courses of interest to the students of labor questions and thereby disseminate more widely the principles and philosophy of organized labor."

In the Meany Archives and the Labor Studies Center, we have created the instruments for research and scholarship and for advanced educational opportunities that Gompers dreamed of, and we've become more conscious than ever of the need for it. Those who control the "sphere of thought" these days are more likely to be televangelists, entertainers, and marketers than scholars and philosophers.

Labor's cause is still the cause of justice, but the idea of justice, of fairness and economic democracy is being mediated these days by its most hostile opponents. Only in the United States, of course. The U.S. Government and the media unanimously and fervently support the rights of Polish workers to organize free and independent trade unions, support the right of South African

workers to negotiate binding and enforceable agreements with their employers, and they support the rights of Soviet miners to strike for the redress of their grievances.

The AFL-CIO Convention

We were able at our November Convention to put a sharp focus on our support for those rights around the world, at what was arguably our finest convention ever. The presence of Lech Walesa and the attention given to what we call "free trade unionists" and "workers' rights" made it a memorable event.

"Labor's cause is still the cause of justice, but the idea of justice, of fairness and economic democracy is being mediated these days by its most hostile opponents. Only in the United States, of course. The U.S. Government and the media unanimously and fervently support the rights of Polish workers to organize free and independent trade unions, support the right of South African workers to negotiate binaing and enforceable agreements with their employers, and they support the rights of Soviet miners to strike for the redress of their grievances."

It was a most stirring piece of theater and labor history. Our relationships with Solidarity go back to 1980—to the first days of the Gdansk strike and our support to Solidarity and its leadership has continued unbroken, initially with Federation funds, with the support of the National Endowment for Democracy, and with the Congressional direct appropriations for Solidarity that we were directly responsible for. We were responsible for some $6-8 million of assistance—probably the largest single bulk of money they received, and probably, in Walesa's view, the single most important bulwark to the continued existence of Solidarity and to its eventual triumph.

The morning of the Convention when Walesa appeared was not a morning devoted solely to Lech Walesa, but to the involvement of the AFL-CIO and American trade unionists with the concept of freedom in the world, with free

trade unionists, and with expressions of support for the aspirations of workers all around the world. There was a parade of speakers that morning representing the workers of Chile, the Lithuanian Workers Federation, the founder of an autonomous worker group in the USSR, a representative of the Chinese workers who had demonstrated for democracy last June, the General Secretary of South Africa's National Council of Trade Unions, and the Chairman of Free Hungarian Trade Unions, among others. An incredible parade of people expressing the universal desire of peoples to be free and the universal determination of workers to have their own instrumentalities to be what Ray Marshall has described as a "countervailing source of power." I can't think of another major institution in the U.S. which would devote one-sixth of its entire Biennial Meeting to the question of assisting people in other parts of the world to express their human rights.

Free Trade Unionism in the U.S.

But as I look and listen to the expressions of support for the yearnings of people to be free in other countries, yearnings to have free trade unions, and I see the support for these same principles expressed in the U.S., the ironic and sad thing you notice is that that support vanishes very quickly when the workers involved are Americans. I dream occasionally of an aide scurrying into the Oval Office, exclaiming: "Mr. President, we've found a nation in which 4 million workers don't have the right to belong to unions, where 8-9 million workers don't have the right to strike, and where 72 percent of the people when they are unemployed don't get unemployment insurance." Of course, the President gets excited and says, "Gee whiz, that's terrific. I'll make a speech about it next week, a speech on workers' rights. What's the name of the country?"

Well, you know the answer. Isn't that tragic? There are 4 million people in 26 states—public employees—who have no collective bargaining rights—who are not allowed by law to deal with their employers. There are perhaps 10 million American workers who not only don't have the right to strike because they are public employees, but in 45 states they don't have an adequate replacement mechanism, an alternative dispute resolution mechanism in place when somebody takes away their right to strike.

The labor laws of the U.S., both public and private, have been perverted in ways that help unfair employers, prevent workers from organizing in ways that undermine the enforceability of our collective bargaining agreements, and that force workers who exercise the right to strike—which is guaranteed to them—to put their jobs on the line. Frank Lorenzo has virtually limitless opportunities, including protection under the bankruptcy laws, to destroy the jobs of workers at Eastern Airlines. But Eastern is only the tip of the iceberg, the most publicized example of a widespread concerted effort to destroy the right of free association, to eliminate democracy from the work place, and to create a union-free environment.

America is living through a time of profound and extreme hypocrisy on these issues, and it's that fact that makes the Labor/Higher Education Council even more vital than ever before. The workers of America, like those of Poland, Hungary, Czechoslovakia, and South Africa need all the help they can get. Our country needs a new set of labor laws, designed to bring its domestic social-economic policies in line with its international policies. But we need more.

We need a thorough reexamination of the "social contract" and a reassessment of the nature and purpose of economic activity, specifically, the relationship between man and the economy. Is the individual to be at the center of the economy, and shall it serve him or her, or is the economy central and the individual only its servant?

Labor Solidarity in the Years Ahead

Despite the problems the labor movement has faced in the last 10 years, I want to tell you the labor movement is in good shape—alive and well, still fighting strongly. Morale is certainly higher than ever in my lifetime. Instead of falling apart in the travail of the last 10 years, the movement is pulling together as never before. We have seen the reaffiliation to the Federation of the United Auto Workers, the Teamsters, the Longshoremen from the west coast, the United Mine Workers, and dozens of independent state and local public employee associations.

Our membership declined in terms of absolute numbers, and that has been reversed. In 1988, we had the highest single year for AFL-CIO membership, over 14,500,000. That's the highest the Federation has ever had in its existence

"We've begun to turn the corner—and go back to our efforts to negotiate for our fair share of the wealth our workers create, even though we still have industrial conflict."

since 1955, and in those earlier years, all of the elements now back in the Federation were present—so the number does not result from the new affiliations. Sadly, that's not true of our numbers as a percent of the work force, and there we continue to decline—an issue that must be addressed.

In the midst of what is admittedly a hostile economic and political climate, I submit that our unions have changed, and are changing enormously in composition, structure, and methods. For us in collective bargaining, I believe that the worst in the period of "concessionary bargaining" is behind us. The economy has improved, and some of the individual industry shakeout and the restructur-

ings are over. The worst effects of deregulation in many industries have already been felt, and the bargaining situation in recent months is better. We've begun to turn the corner—and go back to our efforts to negotiate for our fair share of the wealth our workers create, even though we still have industrial conflict.

In politics, our unions came together in 1988, with greater unity than ever before. In spite of the disappointing results, the solidarity benefitted the Federation and trade unionism. In 1989, we were out in front in support of Dinkins in New York, Wilder in Virginia, and Norm Rice in Seattle—leaders who will change the political and civil rights maps of the U.S. Those elections and our unity will remain significant for years. On Capitol Hill, we've had some minor but significant successes with the passage of the minimum wage bill and legislation to settle the Eastern dispute—only to have President Bush veto it. He supports conflict in the streets rather than more rational efforts to end industrial disputes. We're doing well on the Hill on Child Care, Health Care, Pensions, and OSHA.

Labor's Issues in the 1990s

1. *Growth*—an internal issue for us in labor as we search to find mechanisms for growth and ways to strengthen our institutions.
2. *Trade and Trade Negotiations*—have to include workers' rights.
3. *Training and Retraining*—a major piece of business, particularly for this audience.
4. *International Standards and International Cooperation*—along the lines suggested by Ray Marshall.
5. *Development of New Wage Theory*—the Keynesian analysis falls apart in our changed world.
6. *Worker Participation*—the issue of the '90s. It will continue to be with us. We even have a continuing semantic debate in our own ranks with a disputation between "cooperation" or "conflict"—inappropriate words. Participation is the issue—not cooperation or conflict which represent extreme positions. We will have to change our approaches in bargaining to assure we get more participation, more and more say in work places and corporate boardrooms over issues that affect our workers' lives and how do we use that participation for workers' benefits.

So our largest internal issue is growth, whereas participation is the issue in terms of external expression. There was a time when unions built themselves without support of a negotiated contract and without the support of the law stating that national policy was to encourage collective bargaining. Today, we find we have to build without negotiated contracts and without a law saying that national policy is to encourage collective bargaining. The NLRA is no longer an instrument for justice, for workers. The words are there—the spirit is dead. It's now a tool for employers, consultants, and lawyers to deny justice to workers, so

we are rethinking and redesigning our goals, agendas, and structures to fit the changing conditions.

For example, we've developed vastly more sophisticated organizing methods. We've developed processes to eliminate wasteful competition between unions. We've developed more joint organizing campaigns, and established an organizing institute to get increased sophistication in our ranks to match the labor-management consultants working for the bosses. We've updated our internal communications and television capability, working to increase the pride of workers in their organizations and give the public a less distorted view of who we are, what we do, and what our vision of America is.

So we have a range of "Union Privilege" programs offering cheaper credit, legal services, travel, and health insurance. We're developing more to bring the strength of our members to bear on the marketplace, as we have done in the past,

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"We hope you might join us in asking why, in all the Articles of the Bill of Rights, is the First Amendment's Right to Free Association so hedged with legal traps and minefields. Why is it we can speak, publish, vote, worship, maintain arms, resist wrongful seizure, and run for political office without anything like the obstacle course workers face when they sign a union card?"

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with increased efforts to bring in "Associate Members" who can enjoy the benefits of other than a union contract which we can't always deliver (e.g., consumer benefits, legal advice, improvement of wage-hour laws for their work sites, resources of a community services network, and handling of OSHA cases —all requiring the help of a union).

The last thing I want to do is leave the impression that we are satisfied with our progress, or to acknowledge no shortcomings, or that we can beat the stacked deck we face without help. We welcome all sides, including serious criticism and serious examination—particularly from the academic community. Are our methods working? Are we really reaching people we think we are reaching? What needs and opportunities are we overlooking? What new approaches might we be looking at? What further changes in structure, meth-

odology, or training might be worth trying? We need to know these things. So we invite your inspection and criticism.

We hope you might join us in asking why, in all the Articles of the Bill of Rights, is the First Amendment's Right to Free Association so hedged with legal traps and minefields. Why is it we can speak, publish, vote, worship, maintain arms, resist wrongful seizure, and run for political office without anything like the obstacle course workers face when they sign a union card?

Why, if we can exercise all of our other Constitutional Rights without crippling qualifications, why do we have to have cards signed by 30 percent of the people at the work place to get an election? And then only to find that a majority of votes at such an election entitles us only to the beginning of a process—of years and years of due process, years and years of unfair labor practices and refusal to bargain? Why not change the system? Why not talk about "card-check" recognition, recognizing the existence of a union that represents something less than a majority in a specific work place while it builds to a majority?

Why not put some teeth in the idea that a boss shouldn't be allowed to stamp out these sparks of democracy by firing the union supporters? Why not return to the intent of the law which was to encourage, not sabotage the practice of collective bargaining? And while we are at it, why not recognize the property rights a worker holds in his or her job? Why not follow the lead of other Western nations in holding that the job is not exclusively the property of the foreman or the biggest stockholder, or the court, or certainly not the property of the scab who takes it.

Why shouldn't the person who does that job have a definable, defensible property interest in that job? And why not ask: where should the line be drawn between the power of property rights and human rights? What are the limits of corporate power? Does corporate control really carry with it the right to trample on human rights? Can workers be deprived of their livelihood? Can whole communities be stripped of their economic underpinnings at the whim of an employer who decides to shed responsibility without regard to consequences? Or, even on the basis of sound business decisions by the same manager on what is best for his or her corporation alone?

I heard J. Erwin Miller, Chairman of the Board, Cummins Engine say: "The corporate profits of Cummins begin only after we have met our obligations to our workers and to our community, and then profits begin." A fascinating statement of corporate responsibility, and we would have to listen a long time to hear it repeated.

After all the hostile takeovers, corporate buyouts, and trading scandals, the time has come for this country to take on the money manipulators and speculators playing games with the nation's resources. Other countries protect their societies against their Frank Lorenzos, and now is the time for our country to move towards establishing civilized standards of corporate social responsibility.

It is clear to me that there is agreement on the need for such a standard, and on the desirability of the appropriateness of such a standard among the citizenry of our country.

The problem translates into a societal standard to which adherence is going to be commanded—either by law or by social sanction. Right now, it appears to

"There is no more urgent question in American social and economic life than the question of what is fairness, and what's the best way to achieve it. What are the civilized standards of fairness that this society is prepared to enforce?"

be a society far more in love with property rights than human rights. So, if the only way to secure justice is to establish property rights in one direction and to limit them in another, how do we go about that?

These questions cry out for rigorous examination by scholars, by ethicists of the highest academic standards using the sharpest professional tools. They deserve the fullest exposition in terms that can serve then as the basis for public discussion, and hopefully for remedial legislation.

There is no more urgent question in American social and economic life than the question of what is fairness, and what's the best way to achieve it. What are the civilized standards of fairness that this society is prepared to enforce? I think that the answers from the university and the answers from the union hall ought to play at least as great a part in public policy as those that come from the executive suite. And that's why I think this Council is important and why this meeting is important.

Response

Labor from the Prospective of the Academy

Robert A. Corrigan

Robert A. Corrigan is President, San Francisco State University, and previously served as Chancellor of the University of Massachusetts at Boston.

As we come together today we should pay attention to Ray Marshall's point that we have attempted a single model for universities and colleges in the relationship between labor and higher education, and it is time to expand that model. At the University of Massachusetts at Boston, we had a strong Labor Studies Program and a strong labor outreach program. With Bob Haynes' help, for example, we developed a strong relationship with the building trades, especially the Carpenters' Union. We were able to work with them in raising such questions as how can women and minorities get into the Carpenters' apprenticeship program and eventually become union members? They created their own apprenticeship program and in the first year, 40 percent of the graduates were minorities and 50 percent women.

The University community and the Carpenters' Union also joined in creating the first bank in America capitalized out of union annuity and retirement funds, the First Trade Union Saving Bank.

We had a collective bargaining contract at the University with a strong faculty union, and our wages in comparable "comprehensive" universities ranked in the 94th percentile. We can attribute that to the health of collective bargaining at the University. Also, we always had someone from the labor community on our Board of Trustees and on the Board of Regents, and that contributed to a positive relationship.

At San Francisco State University, in a strong labor city and with the institution having a strong labor history, there is no one from labor on the statewide Board of Trustees. The President's Advisory Council, appointed by the President, does include the head of the San Francisco Labor Council. We have a Labor Archives on campus but our Labor Studies Program could be stronger. Symbolically, I marched with the San Francisco Labor Council in last year's Martin Luther King parade. Our contract, compared with the University of Massachusetts at Boston, is not in the 94th percentile for faculty pay.

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Most of our 18-20 year old students come from families with a median income of less than $25,000 per year, whereas the median freshmen family income at the University of California is said to be $46,000 per year. Our population is 55 percent minority. Both the University of Massachusetts at Boston and San Francisco State University have student bodies that are 70-80 percent first-generation college-going and 55 percent women. At San Francisco State, 6,000 of our 29,000 students were not born in the United States. So there is a strong mutuality of interest with labor on such issues as child care. In fact, it is the single biggest issue that institutions like ours will face in the years to come. But we need labor's assistance in articulating the need, mobilizing the political resources, and establishing new programs.

You in labor represent the conscience of America, a conscience often lost in today's world. When you speak out on international issues, when you speak out on issues of affirmative action, you bring attention to critical issues which also engage those of us in higher education.

But are we engaged enough? Both at the University of Massachusetts and at San Francisco State, the student population often does not understand the importance of what labor has struggled for, or the importance of what labor is talking about, or what the labor movement has meant for millions of our people. We face several critical issues in our campuses, many of them the same as yours. We are facing conflict between whites and blacks on campus. There is increased competition for financial aid, important because of the population we are trying to serve. As it is slashed away by national policy, we have to join with you in finding ways to finance the education of our youth.

Finally, the Council and those assembled here have to articulate what you are looking for in terms of university leadership. More specifically, the business community sees a particular kind of individual as most appropriate to heading

up an institution of higher education, an individual modeled on the corporate executive and capable of running the university the way you run a business. In community after community, the business community is getting its own members to head up the institutions.

This means we are getting more and more cautious people coming into presidencies in higher education, because business-oriented boards are afraid of individuals who take stands on important social, political, economic, and education issues, and who stands by his or her convictions. You need to develop your own models, and insist that your voice be heard in the governing bodies of our institutions. We must maintain labor's voice in higher education.

Labor Solidarity in the 1990s

Joyce Miller

Joyce Miller is a Vice President of the Amalgamated Clothing and Textile Workers Union, the AFL-CIO, and President of the Coalition of Labor Union Women (CLUW).

Many years ago I was an academic and then I entered the labor movement, so I agree totally with both Tom Donahue and Bob Corrigan. I'd like to look at some of the challenges for labor in the 1990s, focusing on several aspects of the points previously raised.

I relate first of all to the changing nature of the work force, particularly the increasing number of women and minorities entering the work force. This is a true revolution. Two of three new union members are women. We hear a lot about the labor shortages that are coming in the 1990s. This is going to lead to increased hiring of women and minorities and will pose a great challenge to the labor movement and to society.

There will be more talk about work and family issues, encouraging mothers and fathers to participate in the work force. We'll see the growth of child care centers by employers—not particularly out of morality, but as a way to attract workers.

Another challenge for labor and academia is the continuing education of women and men who have children and have a full-time job. I taught for many years in the labor education programs at Cornell, in addition to being with the Amalgamated, and you see people who are dedicated, hard-working, and totally

exhausted coming to school two-three nights a week because they want to learn and broaden themselves—a real challenge.

Will we help workers continue their education while they are holding a job? How can we help them with child care to enable them to attend an education program at the university? Our industry is basically low wage, and it would be wonderful if we could help pay babysitters, provide carfare, maybe even supper money to make it possible for them to attend education programs after work. Who would pay—the employer? Should unions collectively bargain for this benefit? What about workers in non-union shops who want to continue their education after work? What kind of overall policies do we need to help people continue their education?

"I think the Labor/Higher Education Council has a big role to play on some of these issues. Labor people and academics have a lot to learn from each other. We can think through the problems together. It is important to get a cross-fertilization of ideas. We can't just talk to people in the labor movement, and you can't just talk to academics—we are insulated from each other."

Another challenge is how do we encourage coalitions to push for government policies to help people who are heads of households and in those two-parent working families, government policies that will help support working families?

Another challenge to the academic community is will they help to train workers to participate, to get control of their destiny, to think through the next steps in terms of worker control?

I think the Labor/Higher Education Council has a big role to play on some of these issues. Labor people and academics have a lot to learn from each other. We can think through the problems together. It is important to get a cross-fertilization of ideas. We can't just talk to people in the labor movement, and you can't just talk to academics—we are insulated from each other.

The labor movement has a natural alliance with higher education. Labor led the fight for child care in the early 1970's when President Nixon vetoed the Mondale-Brademas Act, and we've been active in keeping the day care issue alive. It's your issue too. Labor helped to establish public education in America,

and we've been supportive of education throughout our history. Today, as never before, we need people who will make a commitment.

Remember the "Norma Rae" struggle? I headed a student group during that struggle. We set up support groups on every college campus in our 17-year fight with J.P. Stevens when we began the national boycott. The students were active, fantastic, but I found many academics who didn't want any part of our struggle. We also had a problem with the ERA. Just last month a national industrial relations organization was scheduled into a hotel on the AFL-CIO boycott list, and immediately said, "We must move it." What really upset me were some of the academics. Some told us they wouldn't go to the hotel if the AFL-CIO was leading a boycott; other academics, some who had worked with the labor movement, called and said: "I want to know what the issues are" or "I want to know more about this," "I want to evaluate it." Well, if a person has a commitment to the labor movement, and if you have an AFL-CIO boycott, I don't think you have to know anything else—except that you don't cross the picket line and you don't go to a hotel on the boycott list.

The last challenge is what kind of help will the academic community give to labor causes, to issues women raise. Are you willing to get both feet wet and say, "Yes, we're with you. We will help you in every way possible." These are the issues, in my judgment, that have to be addressed.

Discussion

ROBERT ATWELL: Tom Donahue talked about reducing the imbalance between property rights and human rights, and Bob Corrigan talked about the difficulties institutions of higher education face with boards of trustees that are dominated by corporate America. I might add that business schools and faculty have become increasingly powerful on the campuses. The free market of students seems to be dictating that situation.

We have responsibilities in higher education to address the human rights-property rights balance, although higher education is ill-positioned at the moment to deal with the issue, for some of the reasons Bob Corrigan mentioned. On the issue of the composition of governing boards, we have Bob Gale here from the Association of Governing Boards, and perhaps he could speak to the points raised about corporate and labor representation.

ROBERT GALE: We have worked hard to get our boards to think about the issue. I could even see an offshoot of a subsequent meeting where I could get high-level corporate trustees to sit down with us and talk about the issue. We are trying the best we can to get more minorities, more women, and more labor members on our boards.

KATHY SCHRIER: We've found substantial university resistance to unions, really anti-union activities at Yale, Harvard, Columbia, Boston Univer-

"We are trying the best we can to get more minorities, more women, and more labor members on our boards."

sity, that is as strong as any industrial management which is against the union. Let's assume workers have the right to free association, to organize. Here we have institutions proclaiming themselves as liberal institutions dedicated to academic freedom, to freedom of thought, yet unions get strong resistance from the administrations and the corporate-dominated boards. There seems to be a challenge here to get labor people on the boards of the universities, so that this conflict would not exist.

THOMAS DONAHUE: You raise a good question. Why isn't there a labor statement on the qualifications of someone who wants to be the president, and who may in the future have to deal with that kind of issue? How do we as trade unionists develop that capacity? I think that's a fascinating idea.

You don't have to be on the board of trustees of a state university or community college system to influence that selection, and we ought to think about how we might write one standard which might be used in the measurement of a presidential candidate or for the reference of search committees. It would simply state that this element of the community represented by the state labor movement or the city central body would like to see the college or the system apply this measure to its examination of candidates. What is the person's reputation? What about treatment of employees? What has been the history of employment relations at his or her previous institution? How do we develop that expression when the search process begins?

ROBERT CORRIGAN: There's a parallel in the issues of divestiture from South Africa. The boards and presidents are likely to go against the faculty on the issue. There's a lot of talk about what higher education needs to do in education and training programs. You in labor have a lot of education and training needs, and a lot of experience—you can help us.

We're going through a generational change in higher education. Some 55 percent of my faculty will reach retirement while I am President. The group of faculty being hired was born and raised and educated since World War II, and they were not necessarily raised in labor families. They tend to be people who were part of the anti-war movement, the civil rights movement, but not necessarily labor-oriented.

Whatever a president or board member may feel about the labor movement, they are still management in labor-management relations. These are conflicting

roles. My major point is that labor has not done a good job with a whole generation of people about to take positions in higher education, and perhaps we should think of some programs to educate them about labor—visiting professorships, forums, education programs developed by the AFL-CIO.

KATHY SCHRIER: In defense of the faculty, in the 10-year struggle at Columbia for instance, the faculty eventually came along and made a difference. We would not have won at Columbia without a large group of faculty participating.

JAMES SOMMERHAUSER: Labor is worried about our organizations, and higher education is worried about its institutions. The real issue is that our members are either adult students or potential adult students, and what are we going to do to prepare them for continuing education, as Joyce Miller pointed out. We deal with engineering schools, and 70 percent of the students go into firms with 100 or more employees. Business schools teach management practices, but the students don't all become instant managers. They are workers like us, but they are not prepared for labor practices. They are taught management practices, but not labor practices. Neither the engineering or the business school ever comes to us to present labor's views. Yet their students will need job protection, pay raises, benefits—and they will have to figure out how to get it. We need more cooperation.

JOHN LEYDEN: Tom, are the labor laws in Canada different in terms of organizing workers?

THOMAS DONAHUE: Our labor laws can extend recognition to a group of workers, but there is no way in our labor law for an employer to say to the NLRB—"We are willing to recognize these people, just give us the documents." The Board will say that it's outside our jurisdiction. So the only way to get the government certificate is through the process of election.

In Canada, private sector labor relations are governed for the most part by provincial laws, and the laws vary from province to province. But it is possible for a union to get official recognition and be certified on the basis of a "card check"—a demonstration to the Board agent that here are the designation cards signed by 55 percent of the people in this unit. In British Columbia, the Board says you have to hold your election, if you have them, in five days, and in that process, Canadian unions win 75-80 percent of the elections.

In our process, the earliest election would be 21-30 days after submitting the cards, but more likely, it will be 3-6 months. We'd be lucky to even get it in in that time. The AFL-CIO believes "card check" recognition should be possible in the U.S. It was available for Federal employees until amended by the Nixon administration in 1972.

We are fighting a management myth here—that unions can coerce people into signing cards, so the cards alone are not valid. The Canadians obviously do not feel the same way, and they have a better system for recognizing the desires of workers to form a union.

Up to the mid-1960s, Canada and the U.S. had the same density of unionization, the same kinds of employers, industries, and culture. In 1963, the lines crossed at about 35 percent penetration. Over the next 15 years, Canada went to 45 percent and the U.S. dropped to 25 percent. The difference was in the laws. In Canada they had voluntary recognition and "first contract arbitration." The U.S. had none of that. So Canada had a fairer system; if the workers say they want a union, they got it. If they want a contract, they got it, and employers bargained reasonably. If not, then the matter went to the first contract arbitration, and both parties abided by the results.

In the U.S., we win some 49 percent of the NLRA elections, and we get contracts on one-half of those wins after a year or so of dancing around with employers. It becomes a frightfully expensive process, so many of our unions cannot stay in. Only our largest unions can afford the process, and only our largest unions are growing as a result.

European Community '92 and International Competition

European Community '92

Michelle Gittelman

Michelle Gittelman is Associate TNC Affairs Officer, United Nations Center on Transnational Corporations.

It is an honor to address the Council on what is probably the single most important economic event of the post-war period. I make this claim fully aware of the changes that are now happening in Eastern Europe. As momentous as those events are, the unification of the European market—or 1992, as it is popularly called—will have as great, if not a greater, impact on this country than the fall of the Berlin Wall and the possible end of the Cold War.

Think of how the rise of Japan as a world-class economic power has affected the lives and jobs of the American people. America's shift to a service economy, its loss of competitiveness in key growth industries, and its growing trade deficit are in large part a result of its failure to meet the Japanese challenge. Now imagine that 12 countries, which include among them some of the most advanced economies in the world, are uniting forces to compete economically with both America and Japan. The implications for the world economic system, and America's leadership of that system, are enormous.

Even though there's no question that 1992 is big news for the American people, no one can predict whether the news is going to be good or bad. The unification of Europe hasn't happened yet, and neither will it happen in any real sense by 1992, the target date for unification. The changes will take decades to unfold. And the European Community hasn't made up its mind yet as to which policy path it wants to follow. It can opt for the "free trade path," keeping its doors open to the United States and Japan, which means taking the risk of being beaten by them. Or, it could follow what they call the "level playing field" option, and what we refer to as "Fortress Europe" which argues that the EC should close in on itself until it can catch up economically with the Americans and Japanese, which could take years. Given the fact that America's commercial

"Given the fact that America's commercial relationship with the EC exceeds $1 trillion, the choice between the free trade path versus the protectionist option will have serious repercussions for the American economy. And, unlike in past decades, America is going to have very little say over which direction the Europeans decide to take."

relationship with the EC exceeds $1 trillion, the choice between the free trade path versus the protectionist option will have serious repercussions for the American economy. And, unlike in past decades, America is going to have very little say over which direction the Europeans decide to take.

I would like to avoid making any hard and fast predictions which would probably be of little value to you, given these uncertainties. Rather, I will highlight the issues which you need to be tracking in order to understand the direction of the 1992 program, and interpret what the program means for the United States.

EC '92 Issues

What are the Europeans trying to accomplish? EC '92 is primarily about getting Europe in shape to compete in the world economy in the 21st century, meaning competition with the United States and Japan for market share and technological know-how. The basic idea is to give European businesses a large enough and dynamic enough home market to provide a springboard into global markets. This has been motivated by the fact that during the 1970s and 1980s, Europe had fallen behind the US and Japan in many key industries, particularly high-tech industries.

One sign of this is the fact that European companies showed themselves to be notoriously weak at translating their excellent research capabilities into commercial successes. The biggest research advances in the field of biotechnology, for instance, were made in British labs, but it was American companies that reaped the benefits by applying those discoveries in the marketplace.

A lot of that weakness came from the fragmentation of the European economy into a set of 12 relatively small and highly-protected national markets which meant that European businesses—even the large multinationals—were

inefficient, inflexible, and unable to compete in the international economy, a condition that has been summed up by the term "Eurosclerosis."

The unification of the European market is really an attempt to create the economic conditions in Europe which will enable it to catch up with the Americans and Japanese, particularly in high-tech industries, which they feel will drive economic growth in the future. How are they doing this? Essentially, 1992 is about removing the barriers which made doing business in Europe extremely expensive in the past, and giving a greater role to the free market, rather than governments, in making production and investment decisions.

The most important barriers which will be removed include customs frontiers and different technical and safety standards. Also, capital is being freed up to move all over the continent, public procurement markets will be opened up to bidders from all EC countries, and governments will no longer be allowed to unfairly subsidize nationalized companies. Removing these barriers will have a two-fold effect: at the same time as companies are getting a significant reduction in their costs, they are also getting a larger market to operate in. For the first time, economies of scale will be possible in many industries.

The profit opportunities from the single market are enormous. Renewed business activity from the 1992 program is expected to lead to rapid economic growth in the medium to long term. But 1992 is also about increasing the level of competition in almost every major European industry, resulting in the most intensive period of corporate restructuring Europe has ever known, as companies get ready for the new rules. For example, the number of mergers and

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acquisitions involving Europe's largest companies increased 300 percent in 5 years, from 117 to 1983 to over 450 in 1988. In 1988, over $81 billion in corporate assets changed hands, more than a 600 percent increase from the level just 3 years earlier. Estimates are now that the increased efficiency that all this is supposed to generate will increase income by up to 20 percent and create over 5 million new jobs. The question is: is this good or bad for the United States?

The answer really depends on who you are. I'd like to share with you an interesting statistic. Of the total European market for American goods, about 85

percent is accounted for by the sales of affiliates of US multinationals. The remaining 15 percent is through exports from the States. So a Fortress Europe is only going to affect about 15 percent of our trade balance with the EC.

So if you are a company like IBM or Ford, 1992 is terrific. Those companies have long-established European operations, to the point where they are no longer even considered to be American companies. If a Fortress Europe emerges, those companies probably won't be seriously affected. But if you are a small or medium-sized business in the United States which wants to export to Europe, and likewise if you are an American worker, you probably have reason to worry. Those groups will get hurt if barriers are thrown up against third countries. Not only will jobs fall as exports decline, but American companies will divest from the States in order to move to Europe. We're already seeing this happen with countries like Japan and some Scandinavian countries, which traditionally exported to the EC, moving entire operations—from R&D to marketing—into the Community in case the doors close in 1992.

The Protectionist Route

Having raised the specter of a "Fortress Europe," indications so far are that the Community plans to keep itself pretty open. It may have to, as Europe accounts for 20 percent of the world's exports, more than the US and Japan. Exports make up a very high 9 percent of their GDP. And companies from the European Community have made significant investments in the United States. The EC has nearly $200 billion invested in this country, with $80 billion in manufacturing alone. It would be foolish to risk an economic war by becoming protectionist after 1992; they have too much at stake in the world economy.

But 1992 is also a political event, and politics often have a way of defying economic logic. Three factors may make the Community opt for the protectionist route. One is the fact I alluded to earlier, that American and Japanese multinationals are right now in a stronger position than their European competitors in a number of important markets. IBM, Coca-Cola, and Sony are right now more prepared for 1992, partly because, unlike European companies, they have always treated the EC as if it were a single market. So unless the European companies move very fast, 1992 is going to benefit the American and Japanese multinationals who are already in Europe more than it will the Europeans themselves. This could lead to protectionism if politicians and some business interests decide to take measures to keep the benefits of 1992 to themselves.

A second possible source of protectionism comes from the recent inflows of immigrants from Eastern Europe. If those numbers continue to grow, the Western Europeans will be hard pressed to find jobs for those people, at a time when unemployment is already pretty high in several countries. So they may decide to protect certain industries in order to make sure that those people can find work.

Finally, the third and perhaps most likely threat to protectionism is if there is a recession in the early 1990s, which many analysts predict. I mentioned how rapidly European industry is restructuring to prepare for the single market. The flip side of that coin is high corporate debt and serious labor dislocations. The Chairman of Britain's ICI predicts that because of this restructuring, one-third of Europe's firms will be winners and two-thirds will be losers in the short term. If you add to that kind of situation a recession and low growth, then it's likely we'll see some form of protectionism in the 1992 program.

What Americans Should Be Looking For

There are four issues which Americans need to be tracking in the months and years ahead to keep up with the direction of Community policy. On the protectionism issue, don't look for tariffs on foreign goods. Today's trade instruments are much more subtle than that. Look instead at what the Commission decides to do on the following four issues: (1) rules of origin on foreign goods; (2) reciprocity for foreign investors; (3) setting product standards; and (4) letting foreign companies into their research consortia. These four policy areas are where the Community is going to clamp down if they decide to go to a Fortress Europe.

Finally, I would like to dispel the idea that 1992 is just a lot of hype. Of the 279 directives which make up the unification program, over 75% have been adopted so far, which means that they have been passed into the national legislation of each EC country. Also, the business community believes in 1992, and companies now assume a single market when they make their strategic plans. In fact, it's been the intense activity of the corporate sector which has given the unification program a momentum far beyond anyone's expectations.

The only thing I can see getting in their way right now is what's called the "broader/deeper," i.e., the issue of enlarging the market to include more countries, like Sweden or East Germany. Bringing in new members could distract them from going ahead with the integration process. That is something that they will have to decide soon.

Whatever happens, the United States will have very little to say about it, even though it will be affected by it. To illustrate, in 1986, the Council of Ministers of the European Commission, which passes directives into European law, went from requiring unanimous to majority vote. That made it possible for them to pass the 1992 directives in record time. But it also meant that the United States could no longer rely on its traditional allies, like the UK and West Germany, to veto any measures that it might not like.

The success of the 1992 program has given the Europeans an independent voice that they have not had since World War II. Many people are even saying that the events in Eastern Europe are in large part stimulated by the economic unification of Western Europe.

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European Trade Unions and EC '92

Johan Van Rens

Johan Van Rens is Policy Coordinator & Adviser, International Affairs, Netherlands Trade Union Confederation (FNV).

As far as I can see, the progress towards EC '92 is quite good. By January, 1993, the process will be finished. Other points such as labor market training, labor market policies, investment in people - are not as well developed. A modern, high quality economy competing with the U.S. and Japan should invest in people.

Let's consider democratization of the economy. In a lot of European countries there are participation rights for workers, and trade union rights under collective bargaining agreements, so we want these rights at the European level also. They are not now part of the EC '92 proposals, but the European Commission is thinking about them.

Opposition from employers is strong. Multinational corporations are playing a big role in EC '92, both in the U.S. and in Europe, and will play a bigger role in the future. The European economic process after 1992 means even more

Edited taped interview with Johan Van Rens.

concentration, so it will bring even larger European companies. Companies will try to settle in different parts of Europe, meaning that rights workers have built up at national levels could be damaged or watered down when they find they do not have the same rights at the European level. And it's not only because of that that we are asking for more influence at the European level—for worker participation, economic democracy—it's not a cost to the economy but a means for revitalizing European economic life. We see that in different countries and member states, with good worker participation in Germany, Sweden, and Norway carrying over to good economic performance. So economic democracy and worker participation are the cornerstones for sound economic development.

University Diplomas

The question on recognition of diplomas in the European Community is an important issue. Different parts of the European Treaty speak to the issue, but it was always struck down. In the international market process, strong emphasis is placed on diplomas and raising them to the same levels to be accepted by the different members. These standards will also give people the possibility of working in different areas. There is hope in Project Erasmus in which more than 80 educational institutions from the 12 EC member states have agreed to recognize each other's degree courses.

Diversity in European Trade Unions

Everyone knows there are great differences among unions in the different European countries. For example, in Italian trade unions, we have the Christian, Communist, and Social Democratic unions, unlike in Holland or Germany

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where you have only one trade union confederation. You also have a lot of differences among unions themselves. The Latin unions tend to concentrate more on legislation, on the legislative aspect of national policy—get something adopted and then you have done your job. But there's more to it, and EC '92 will put the European trade union movement to a test.

I mention this because I am familiar with the AFL-CIO's *The Future of Work* and *The Changing Situation of Workers and Their Unions*, as well as

Workforce 2000. Our answers to economic and political problems have to go in the same directions. We have to strengthen our position, see what we can manage ourselves. I think the Nordic trade union influence will increase within the European Trade Union Confederation—we have to work at both the European level and at the national level. What you will see is that the process of EC '92 will speed up economic development in the south of Europe more than in the north—in the short term at least. That's to be expected and good. European trade unions have to develop as a community of solidarity, and that means economic development in all parts of the community.

Increases in labor laws, economic development, and economic productivity means that the countries in the south of Europe will have more possibilities for improving their social security systems, for improving their benefits more generally. That will benefit those who work there and those who don't, those in trade unions and those outside.

The EC '92 Social Charter

In the Social Charter, there are generally speaking fundamental rights concerning freedom of movement of persons, more generally than freedom of movement of workers because freedom of movement of person is more a personal, not an economic matter (e.g., students, elderly).

Other points in collective bargaining—free association, participation of workers, rights of young people, equal opportunity for both men and women, equal benefits for the elderly (pensions, social security questions) are important for the establishment of minimum rights. But we need coordinated rules so people can carry their rights with them when they go to another state.

The Future of European Trade Unionism and EC '92

The European trade union movement has to concentrate more on the work place level, and will have to develop the international representation of workers in multi-national companies, or in companies that work in more than one country. So the European Trade Union Confederation developed a demand that worker representative organs be set up to get information on benefits within their companies and to consult them on future strategies of the different companies.

What we've done up to now, in 5-10 mainly French European multinational companies, is to set up a kind of consulting/information body, representing a first step up to a European Works Council where I hope the system will go. These bodies voluntarily agreed that we would develop further, and we are now formalizing our policy in that respect. Individual unions or confederations, like the FNV, in our mid-term bargaining, said that we want to have this type of consulting/information system set up in European companies.

I.G. Metal, for instance, the German metal workers union, did the same. Other unions are dealing with the same demands. In late October, we will meet in Belgium with 800-900 Works Council members and shop stewards together to see how we can develop this idea of developing a European Workers Council.

What I see are two trends in industrial relations. First is a more decentralized trend and second is a more international trend. You have to cope with these different trends. Unions up to now have been mostly in-between. They are strong at the sectoral (regional) level and they are strong at the national level. But at the international level and at the decentralized level, they need to invest a lot more effort than they have up to now.

If unions will not respond to the challenges which are put before them, i.e., getting stronger at the work place level and at the international level, then we have lost a great opportunity. Economic policy should go hand-in-hand with better social conditions, but also with strengthening the trade union movement and trade union cooperation. We have to work together more closely with partners in the world, in the U.S., Japan, and in the developing countries because the process of EC '92 is not against others, but for economic partnerships around the world.

EC '92 could be a magnificent tool for further stimulation of the international economy, and in that sense we are not working against the U.S.'s interests, but perhaps trying to do better than you and other countries. That's good, that's part of economic competition, part of the American way. So EC '92 will work out to the benefit of all of us.

EC '92: The US Perspective

Mark Anderson
Joseph Murphy

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Joseph S. Murphy is Chancellor, City University of New York.

Mark Anderson

In the labor movement, we are concerned with two separate issues when we consider the European Community coming together in 1992: (1) the effect of the single market on U.S. trade and investment, and consequently on domestic production, employment, and income; and (2) the social dimension in the internal market concerning issues such as health and safety standards, hours of work, information disclosure, worker participation, and consultation to the management.

EC '92 and U.S. Trade

The first question, particularly for our unions in the manufacturing sector, is the effect of EC '92 on American's huge, world-wide trade deficit. Will EC '92 solidify or perhaps worsen current EC trading patterns, both with the U.S. and third countries? For example, last year the U.S. had a merchandise trade deficit of over $80 billion with Japan and other Far East countries, while the EC's deficit was only $30 billion. Japan's exports to the U.S. were twice the level sent to Europe, despite markets of similar size. If Japan can't sell VCRs and cars to the degree that market economics dictate in Europe, they will sell them here—to the disadvantage of the workers we represent. So the maintenance or extension of restrictions on Japan from the EC would be harmful to the U.S. trade balance.

For example, in the auto industry in 1988, Japan exported 1.1 million autos to the European Community, contrasted with 2.3 million to the U.S. Many in Europe are arguing to keep that restriction, as well as restrictive regulations on rules of origin and domestic content requirements. Honda recently announced it would conform to demands that cars built in the U.K. have at least 80 percent of

their components sourced in Europe. Comparable U.S. component value for U.S.-assembled Japanese cars ranges between 30-40 percent.

The AFL-CIO is basically concerned that the U.S. government and U.S. industry, in approaching this issue, will emphasize an "investment strategy" rather than an "export-strategy"—coming down hard on issues affecting the IBMs and ITTs of the world like national treatment, right of establishment, and right to invest. Our fear is that less attention will be paid to purely trade problems like government procurement, restrictions to telecommunications products and electrical equipment, and aircraft subsidies. Although the approaches are not mutually exclusive, we would prefer greater emphasis on exports.

We also have to be concerned with the notion of product location—not just product sales. We find the U.S. government representing the interests of General Motors as they produce in Europe—not as they produce in the U.S. While such a policy may be good for the corporation and the shareholders, it does little for the workers we represent and the American economy.

Unfortunately, an investment strategy already dominates. In the post-World War II period, U.S. companies decided to invest in Europe, rather than produce there. Again, in the auto sector, while the EC exported $6 billion worth of autos to the U.S. last year, U.S. exports of autos to Europe were negligible. GM, Ford, and Chrysler decided to produce there rather than export to that market.

Fears about "Fortress Europe" and trade barriers tend to accelerate this approach, with American businesses advised to invest now before it is too late. Obviously, this is not encouraging to production workers in the U.S whose employment opportunities are thereby endangered. The point underscores a major difference in approach between EC and the U.S. The Chairman of Europe's largest telecommunications group said: "Europe must be developed for the benefit of Europeans." In contrast, in the same article, a high U.S. government trade official merely fretted over EC developments, with the statement that "they seem to be inconsistent with the principles of international trade."

EC policies are focused more on production and employment, while the U.S. pursues more ephemeral goals.

EC and the Social Dimension

The social issues connected with EC '92 are of concern to us, not only insofar as they affect trade—such standards could affect the competitive position of U.S exports, but also, and more importantly for us, they affect labor and social conditions in Europe which can eventually influence similar developments in the U.S. European unions tend to view the social dimension in two ways.

Some European trade unionists are defensive, insisting that existing labor rights and standards not be diluted in the EC '92 process, by encouraging the

spread of the strongest standards to those nations where protections are relatively weak. Others look at the single European market as an opportunity to pass communitywide laws that would otherwise have little likelihood of enactment.

The defensive approach is best summed up in the phrase "social dumping." The Northern Europeans, particularly the Germans and the Dutch, are concerned that the rationalization of production that may come about from unification will cause production to gravitate to the South—Spain, Portugal, and

"The European unions are pushing a series of issues—basic trade union representation, freedom of association, collective bargaining, economic democracy and participation, consultation, and policies concerning sickness, accidents, retirement, and safety and health. All of these policy issues have implications for U.S. workers."

Greece—where wages and working conditions are relatively inferior. EC '92 will naturally create some tensions among the differing trade union confederations. For example, the Spaniards and the Portuguese want the investment for the jobs. The Germans are concerned that Siemens will move out and set up shop in the South.

Nevertheless, the European unions are pushing a series of issues—basic trade union representation, freedom of association, collective bargaining, economic democracy and participation, consultation, and policies concerning sickness, accidents, retirement, and safety and health. All of these policy issues have implications for U.S. workers—including an increase in the European Community's "structural adjustment fund"—to address these kinds of problems, i.e., some of the nations may be put in the position of subsidizing for a time those industries that would be rationalized out of existence if the single market was allowed to happen without any government interference.

The "Social Charter" touched on by Johan Van Rens falls far short as a counterpoint to the changes that have been made or are contemplated in the trade and financial areas, and is merely an exhortation towards good behavior. What is lacking, and what could be the most contentious of the social issues, is the whole area of economic democracy. The European Trade Union Confederation stated that "workers' rights to information, consultation, negotiation, and participation with regard to company decisions must be guaranteed, not only at

national levels, but also at the European level in order to counterbalance the extended possibilities which are available to companies in the economic, financial, technical, and industrial policy field."

We see movement in this direction, but it is vociferously opposed by the business community in the EC, and most strongly by American companies with operations in Europe. For the American labor movement, it is important to us that Europe succeed in this area, because that kind of information and consultation with so many American companies can have positive effects on our dealings with the same companies here.

Joseph S. Murphy

I am impressed with the preoccupation of European trade unionists with the social welfare state, which has it roots in European social democratic society. Social democracy carries within itself the idea of social responsibility and morality even where economic equality does not exist. Underlying that idea is the notion of providing for those in society who cannot compete successfully in a free-market economy.

In the United States, we seem to have accepted the idea that we will allow enough freedom to all so that some small number can become grotesquely wealthy. We tolerate the resulting vast discrepancies in the accumulation of wealth because we simultaneously try to do some other things:

First, to establish a "safety net" so that those who don't compete successfully do not suffer excessive misery and despair;

Secondly, to pay wages at a level sufficient to allow working men and women to buy the goods and services they produce; and

Thirdly, to provide more or less equal access to education so that everyone has, in theory, an equal opportunity to compete.

A society that limits its responsibility to those rights is not particularly the kind of society I would like, but it is the one we claim we have.

Turning to the consequences of EC '92, I start with the principle that in a free-market system capital travels to whatever dark, warm place it can find in order to reproduce itself. For several decades capital, first in the United States and now in Europe, has been going south, looking for cheap labor in order to produce goods that can be marketed successfully in larger markets where greater profits can be made.

This is because those who control capital in our society have confronted the reality of diminishing profits. To remedy this situation—and it is important to note parenthetically that profits, though declining, were still being made—owners of capital perceived two policy options open to them. One was to find a

cheaper labor force, which they sought to do by exploiting third world labor. The other option, which they pursue with equal vigor, is to establish within the United States the cheapest domestic welfare state they could get away with. The only obstacle in the fulfillment of that objective was the labor movement, and in the last decade unions haven't been doing too well.

Thus we continue to find larger and larger gaps in the welfare state's safety net, particularly in the 35 American cities where minorities are in the majority. How are we responding? What are the consequences of our response? What should we expect from higher education as we engage the issue?

Those of us in large public universities are responding under severe constraints imposed by governments who are supposed to support these situations, yet who are allocating as little as possible and extracting from our students as high a rate of tuition as possible. The objective set for us by government, either implicitly or directly, is to train our students for the workplace as quickly and efficiently as possible; to inculcate them with docile behavior patterns so that they make a maximum contribution to production with a minimum capacity

"I see us reinforcing the idea that working class kids are not worth very much, that their aspirations are probably modest, and that we serve our students well when we direct them to the closest place in the labor market where they can lead productive lives."

for disruption of power relationships; and to discourage them from attaining any profound awareness of the conditions of their own lives and their relationship to (and potential control over) the structures of society required to alter those conditions.

I refer here to something of which all of us in higher education are aware: the disparity between the curricula set forth for students who come from poor places and that made available to and then chosen by students who are rich. I have seen the difference in curricula in my own career. As president of a liberal arts college I saw wealthy families pay $20,000 a year to have their offspring taught by a devoted, dedicated faculty willing to go to any extreme to find virtues in the dullest of students. Now, at an underfunded public institution serving the disadvantaged, I see us reinforcing the idea that working class kids are not worth very much, that their aspirations are probably modest, and that we serve our students well when we direct them to the closest place in the labor market where they can lead productive lives.

My interest in the Labor/Higher Education Council, and that of my colleagues, stems from the fact that we have no great brief in being a party to an education system conceived and construed along those lines—a system that maintains the fundamental distinctions generated by a capitalist society. We want it understood that we reject American corporations' contention that the way to compete with either EC '92 or Japan is to make our institutions into vocational schools whose sole function is the imparting of entry-level skills and

"It may also be time to look beyond 1992, beyond the issues of economic competition, and begin looking at the quality and condition of our lives and people and of our democracy."

technologies in industries where we are actively competing with Third World nations whose wage rates are low. Our goal is to make ourselves and others aware of the subtle ways in which this kind of policy is being imposed on our institutions, and to insist—no matter how hard it may be for others to understand the principle involved—that we will educate our students in ways that allow them to grasp some fundamental social, economic, and political connections.

It is important, for example, for students coming out of public universities to understand the relationship between stretch limousines and homeless people sharing the streets of our cities—and how both the limousines and the homeless are related to events elsewhere in the world. In order to develop that kind of perception you have to provide a good liberal arts education. That education serves the long-term interest of the corporate structure: only the most shortsighted members of the business community fail to see that investment in the liberal arts for working class white, Black, and Hispanic kids in our major cities can serve to produce an educated work force capable of producing goods of a more sophisticated nature, and capable of converting innovation and invention into the production of goods that will in the long run make the country a richer place to live.

But that is not the main justification for it, since in any case it might be that our material phase is behind us. We paid an enormous price in terms of our ability to influence world events in 1974 and thereafter. It may well be time for us as educators to look at other dimensions of life rather than just the production of people to produce goods so that profits can satisfy others. It may also be time to look beyond 1992, beyond the issues of economic competition, and begin looking at the quality and condition of our lives and people and of our democracy.

It is a truism that what is remembered about a culture and a civilization is not the goods and services it produces, but the art, literature, music, and philosophy it creates. We have not been producers of high philosophy or great art in our country. And it may well be that our relative decline in the world from a major imperial power to something less than that can provide us with the opportunity to be more, on a more important scale of values, than what we have been in the past.

I suggest that we have some important things to do in the next decade. I suggest that we begin by becoming less preoccupied with seeing ourselves as just another economic power in the world, and start asking some more fundamental questions about what we are doing as a people, and where we are going as a culture and civilization.

Labor/Higher Education Alliances for the 1990s

Legislative Cooperation: Common Interests

Charles Saunders
Robert McGlotten

Charles Saunders is Vice President for Governmental Affairs, ACE and Robert McGlotten is Director of the Department of Legislation, AFL-CIO.

Charles Saunders

As I was thinking about how to frame my remarks for this session, I reviewed your fine statement of principles to guide the Council which you passed last year. The good news is that most of the principles will be center stage in Congress this next year. We will see a strong debate on training and retraining the work force to make our economy more competitive, on upgrading worker skills and retraining, on increasing participation in higher education—particularly for minorities, and increased investment in education, training, and research at all levels.

The bad news is that neither the President nor the House-Senate leadership has the guts to provide the funding for these fine initiatives. I'm simply not optimistic about getting some of them through.

So let's look at what is almost certain to happen in the next session of Congress. Certainly there will be changes in the Vocational Education Act. It

has passed the House and a similar bill will be reported out of the Senate Labor and Human Resources Committee. Both bills include innovative authority for technological preparation programs, linking the last two years of high school with the first two years of college.

Child care legislation passed both houses, but got tied up in Conference. We expect it to pass. Reauthorization of the JTPA is out of the House and due to come out of the Senate. A whole host of pieces of legislation is possible, including: teacher training to provide incentives for minorities to enter teaching, bills to encourage young people to enter careers in science and engineering, and community service legislation—voted out of Senate Committee, but there has been little action in the House. If community service passes, there will be new authority to provide incentives for people of all ages to work in their communities.

"All of the legislation are steps towards the goals this Council laid out in your statement of principles, but we will need substantial new revenue to do it, and it doesn't look like it will happen. There's a pessimistic mood in Congress."

Whatever legislation passes, there will be efforts to link jobs and education for at-risk students. The Senate is considering a "Youth Corps" bill—already voted out of House Subcommittee. Debate begins this session on the reauthorization of the Higher Education Act.

All of the legislation are steps towards the goals this Council laid out in your statement of principles, but we will need substantial new revenue to do it, and it doesn't look like it will happen. There's a pessimistic mood in Congress. For example, Congressman Gus Hawkins (D-Calif.) has introduced Work Force 2000, a bill that encompasses the objectives we would all support. It would help disadvantaged students, provide new student assistance, and help for minorities to enter teaching. But there is already extensive legislative authority to do all these things. Congress has simply not had the courage to provide the funding. So the Hawkins Bill is, in effect, a recognition that there is no more money for existing programs. Instead, the bill would impose a tax on federal research grants to pay for the initiatives, so it would be paid for partially out of education's pockets.

The House Appropriations Bill made cuts in student aid, but the Senate put some of them back. And in Conference, they saved more money by removing eligibility for less than one-half time students, a program authorized only a few

years ago, which means taking away benefits for primarily adult students.

Finally, after promising to take sufficient steps at deficit reduction, to repeal Gramm-Rudman, Congress simply gave up. After giving themselves a pay raise, they let four months worth of sequestering go. Thus, *after the entire appropriations* process had been worked through, Congress went back and imposed across-the-board cuts. For education, this meant one-third of a billion dollars out of the money already voted in the appropriations process— for student aid, research grants, and undoubtedly, the Pell Grant payments scheduled will probably be reduced, thereby eliminating a substantial number of students from eligibility.

I don't know where this leads us. We've spent two years thanking Congress for keeping our programs alive, and continue to do so, but we may have to elevate the noise level about all the needs that have to be met if we are going to accomplish what has to be done in our nation in the decade ahead.

Robert McGlotten

I agree fully with Charles' observations, and I would like to note two important things. First, Congress is unsure of itself and where to go because of the structure of the two parties and an administration for eight years that engaged in gimmicks and games with the Congress. The new administration is trying to carry on the preceding administration's agenda, and there is a great need for leadership.

We're also frustrated on domestic programs. Because of Gramm-Rudman, all of the Congress' fiscal instruments no longer apply. We can go through an entire appropriations process, well thought out negotiations, and along comes Gramm-Rudman to supersede Congress. It takes authority away from the Congressional Committees and proceeds with cuts that go unchallenged. If it continues, we are facing serious problems and the possible defunding of educational programs.

In 1989, Congress was preoccupied with Jim Wright, and by the end of the session with the increase in minimum wage, with some movement on child care, and pensions, terminations, and reversions which are extremely important to the education community. We have to assure that the pension funds will be there and retirees get their health-care programs.

I'm slightly more optimistic about 1990. There is an opportunity for education and labor to raise some fundamental questions. The changes in Eastern Europe have given us the opportunity to rethink the military budget and to start talking about "conversion funds" — from military hardware into trying to revitalize our infrastructure and to deal with the whole question of health care as a national problem.

"I'm slightly more optimistic about 1990. There is an opportunity for education and labor to raise some fundamental questions. The changes in Eastern Europe have given us the opportunity to rethink the military budget and to start talking about 'conversion funds'—from military hardware into trying to revitalize our infrastructure and to deal with the whole question of health care as a national problem."

Every single one of our collective bargaining agreements over the last few years has dealt with the health care problem. The labor movement has been in the forefront of thinking about national health care insurance for the last 20 years, and now we find management talking about it also.

I believe we should start talking about rebuilding our infrastructure to capitalize on the skills we have. We need to retrain people to accomplish this rebuilding, institutions to train the workers, and the will to do it. If we look at the Catastrophic Health Care Bill, most of our members already had catastrophic coverage, so they rebelled against the added premium. As a result, catastrophic care has been abolished, and we are moving into long-term care, which will also require additional training.

One of our problems in terms of international competitiveness is that our government has not provided the leadership for the kinds of programs our educational institutions need to train and retrain the work force.

The result is that everyone is acting alone. We need the kind of leadership that says here is where we want to be five years from now. The real problem is that the administration does not know what to do about the difficult problems we face, with a resulting vacuum of leadership. The labor-higher education community can give direction on the revitalization of our country and the role of education in that revitalization.

Labor-Higher Education Alliances That Work

Edward J. Liston, Moderator
Ronald E. Beller
Robert J. Haynes
Kathy Schrier

Edward J. Liston is President, Community College of Rhode Island.
Ronald E. Beller is President, East Tennessee State University.
Robert J. Haynes is Secretary-Treasurer, Massachusetts AFL-CIO.
Kathy Schrier is Administrator, District 37 (AFSCME) Educational Fund.

Edward J. Liston

I would like to offer a brief profile of the Community College of Rhode Island before we turn to our panelists. Rhode Island is a small, labor-oriented state, so there isn't much that happens in Rhode Island that doesn't involve a partnership between labor and higher education. In fact, there are countless partnerships and programs developing all the time. So we have good relationships with labor.

The community colleges of the nation were started to fill some gaps that were apparent in higher education, particularly higher education's need for responsiveness to varied groups in society. So community colleges pride themselves on their interest in responding rather rapidly to the felt needs of their communities. We like to think we are pro-active, always looking for partnerships, always looking for better ways to serve our communities—with either labor or business.

When I return to New England, I would like to investigate the possibility of initiating a labor-higher education alliance, much like this Council, in our state which has 11 colleges and universities that are willing to work with labor's leadership in Rhode Island. Now, let's turn to the panelists.

Ronald E. Reller

Our panel had the charge of talking about alliances that work. When I look at the Labor/Higher Education Council, one of the benefits is that our points of view are merging—not so much on specifics but agreement on the general conditions in which we both operate. Over the period of four years I have been associated with the Council, I've become more aware of the heterogeneity of views in higher education about organized labor, and working with labor.

Organized campuses across the U. S. are in a minority in terms of the 3,400 colleges and universities. Both public and private institutions live in environments that have numerous individuals who influence their well-being—e.g., alumni, donors, the governor, the legislature, and whose attitudes and energies related to organized labor shift dramatically from time to time. Just to get to be well-known on either side of that issue requires the leadership of the institution to play a careful role in traversing that particular avenue.

I agree with my colleague in the prior session who said "we find it much easier to associate with business leadership, without negative connotations, than with labor leadership, which often does not redound to our credit." It's an observation I will take to heart and do something about it.

The diversity of opinion in the university isn't just about organized labor, the diversity exists within our institutions themselves. We have four-year institutions with differing graduate programs, we have two-year institutions with programs that are not transfer programs that provide an alternative path to education other than transfer to a four-year institution. Our very diversity in the state universities and community colleges is part of what makes alliances with us abound, more so than with the "flagship" institutions in our state. Although some of these four year institutions may have programs with labor, I don't know if they are contributing to the growth of labor-campus alliances. Also, our differences in higher education emphases and interests have implications for what kinds of alliances and programs will work. Some institutions may even feel more comfortable doing programs that are totally safe, programs which any institution could undertake. Failure to recognize their diversity and to assume finding common ground with labor will be easy will limit the range of optimal efforts that could be undertaken and higher education participation in the Council's activities, including state level dialogues.

I would like to commend those who put together the Council report, "Labor/Higher Education Relationships in the States." There are some useful ideas which our institutions could adopt for cooperative relationships with labor, and I recommend the Council continue to document examples of labor-higher education activities, particularly from states not yet responding to the

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survey. We will probably find that in some states, little if any systematic cooperative efforts between labor and higher education exist, and I include Tennessee in that category.

We hope to change that situation. We would like to try a pilot program over the next several months bringing together higher education leaders in Tennessee with labor leadership to discuss common interests. What will make an alliance work is being able to spend sufficient time in bringing the principals together. I have learned a great deal about labor and many of you by having the opportunity to join you at these Council meetings. It takes time to get over that initial anxiety or tension among individuals who don't know one another, who don't understand each other's agendas or talk the same language. We've broken down those barriers in this Council and in this room, and that's one of the real strengths of this organization. We've got to do the same thing at the state level.

We have a host of issues that we could work on jointly — adult literacy, K-12 reform, worker access to college, and other ideas from the Council's survey. We need to form coalitions on public policy matters in Tennessee, including legislative issues such as the tax base, education and training in the state, and other programs the state needs. We currently survive solely on a regressive sales tax, and a state income tax is just as political in Tennessee as everywhere else.

One of the things I wanted to report on is the role of the university in creating public forums for ideas. We should be doing more to use our campuses and our tremendous access to the media, and our own departments of public relations to explore issues of importance to labor and higher education — state issues, national priorities and funding, the role of organized labor. For example, during the UMW-Pittston strike, I contacted officials from both sides about the possibility of setting up a format for debate between the parties. There was a great deal of interest, and I went to the point of setting up a mechanism to do it,

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just at the time the dispute went to Federal arbitration. Still, there was the potential for the university to play a role in public discussion of the issues, to get beyond the television images of miners in fatigues being dragged out of the streets by the Highway Patrol, and to broaden the public's understanding of the strike. That's a proper role for the university.

On alliances that work, I am aware that we have to look to the national level in this meeting to close the loop and communicate the ideas, because what happens in the states impacts the national agenda. Perhaps this Council can adopt a broader strategic plan to address these issues at the national level. I question whether we accomplish much with just an annual meeting, and we could do more to help set the agenda and to use the state experiences to inform national policy.

Robert J. Haynes

The Massachusetts AFL-CIO has been successful in developing alliances with the higher education community—real, practical, down-to-earth things that we believe are easy to accomplish. We have taken these steps because we think education is the single most important tool for maintaining the quality of life and standards of living of our membership and of American society.

What have we done? When I first came into a leadership position at the Massachusetts AFL-CIO, we tried to bring the education community together. It astounded me, quite frankly, when I tried to put on a seminar and invited the higher education community and others who had been involved in higher education in Massachusetts—people in the Governor's office, the Board of Higher Education—along with union people who work in education. It was the first time any of them had ever seen each other, and it was somewhat discouraging.

It took us two years, but we produced an Executive Summary from the Seminar listing our agenda, and we were able to accomplish 9 of 10 specific items. For example, we developed a program to place labor trustees on Boards of Higher Education, and we have been extraordinarily successful. Out of 27

public higher education institutions in Massachusetts, we have 22 labor trustees on these boards. We are working diligently to fill in the gaps.

Contrary to what some people think about the trusteeship, it is an opportunity for labor and higher education to form an effective and strong alliance to deal with the issues we've been talking about. I know I am only 1 person out of

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19 on the University of Massachusetts Board, but we're able to accomplish a number of progressive actions through the Board. We're also able to slow things down, at times able to stop things. We are able to get the Board to think progressively. For example, you all think Massachusetts is a liberal state. Well, the University of Massachusetts Medical School, a great school, participates with labor on health and safety programs. The School self-funds its own medical malpractice liability program amounting to $3.5 million a year in premiums, so it ended up with a fund of $20 million but was only paying out $500,000-600,000 per year in claims. They did all the progressive things—no investment in South Africa, for example—but there was no mention of a policy about investing in companies with satisfactory labor relations. But just being on the Board, we were able to convince them that labor relations was an important criterion for investment policy.

Another thing we've been able to do is work closely with the labor community at the University of Massachusetts. We've had our struggles—the University of Massachusetts at Amherst declared the University's Labor Studies Program not central to the University's mission and cut it 27 percent, whereas all

other departments were cut 5 percent. We didn't think it was a good idea, and convinced them that it should be an academic department. We just drew the line.

Because we know where we are going, we can be effective. We had another opportunity this year. We offer honorary degrees at Commencement and lots of people are honored—business people, writers, people who have contributed in some way to the American dream. In looking down the list of honorary degrees over the last 10 years, we found that not a single labor person had been honored for their contributions. There must be some labor people who do something worthwhile. It turns out this year the University of Massachusetts at Amherst will honor Secretary-Treasurer Tom Donahue, and the University of Massachusetts at Boston will honor Arthur Osborn, President of the Massachusetts AFL-CIO, who has contributed greatly to the state. So it's a simple, practical matter. They are not so much honoring the individual as labor itself as a partner in the community.

We do a lot of regular things such as participating in grant projects—ESL, ABE. At the University of Lowell, we're attempting to teach in Engineering School that when you make machines, consider people in the process as a necessary ingredient in technology.

We also produce materials and document what is going on between labor and higher education. We're worked with the University of Massachusetts at Amherst to develop a Resource Guide in the Commonwealth which catalogues

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all the labor education and training that currently goes on in the state—through the higher education system and through the unions. We will distribute it to local unions for their use when they have a need for specific types of training or education. Labor also needs recognition on the campuses, another reason for forming alliances—with faculty, with students, with labor people, and the people at the trustee level. We need people who understand collective bargaining arrangements, who understand why people want to organize. We've just had a successful organizing drive at Harvard where AFSCME organized the Clerical/Technical Workers. We've just organized a 1,300 member unit for SEIU Local 509 at the University of Massachusetts at Boston and the University of Massachusetts at Amherst. Massachusetts is in financial trouble and people are realizing it is in their best interests to join together in hard times. We in the labor community are partners in all the progressive activities in the state. What really did it was the original seminar, over two years ago, when we invited people who

do not generally communicate with each other, unless someone forces us together in a room as we are today to deal with each other. It took some time, but now it is effective. We are communicating and understanding each other's issues, and we can accomplish more together than separately. We also have to be practical. We stick with issues that deal with our membership, with your students, with basic issues of education. We're not just talking about training. We're talking about education in the fullest sense, and how working people can live full and productive lives.

Kathy Schrier

I'm here to tell you about District 37 and our work in education. District 37 represents over 140,000 people who work for local government within the city of New York. We're not teachers, we're not firefighters, we're not police. We are nurses aides, clerical workers, laborers, chaplains, social workers, engineers, librarians, accountants, motor vehicle operators, sewage treatment workers, paraprofessionals—I could go on as we have over 500 job titles.

AFSCME always had a philosophy that went hand in hand with education. We were always a union that went beyond bread and butter issues. Sure, we were concerned with wages, hours, and working conditions, but more important, we were concerned with worker dignity and worker empowerment—both in the work place and in their communities. Because of that AFSCME philosophy, not only have we seen a growth in membership in New York City, but also nationally. Education was always an important aspect of that philosophy at District 37.

New York City employees were the first local government employees in our country to have local bargaining rights, and that goes back to the mid-50s. At that time, Jerry Wurf, Executive Director of District Council 37, had to prepare to deal with new mayoral executive orders that suddenly gave employees the right to bargain. We didn't know anything about bargaining. We knew about begging. We knew a little about legislation.

What Wurf did was go to the Cornell School of Industrial and Labor Relations to develop a training program to prepare the staff to deal with the new mayoral executive order. This turned out to be the key to the development of a relationship between District 37 and higher education, and also the realization at District 37 that we have to do more than grass-roots organizing. We have to prepare our staff to do certain things.

In 1967, we got a New York State Collective Bargaining Law. Shortly before that law, Victor Gotbaum became District 37's new Executive Director. He came out of Chicago and set about organizing the New York City Department of Hospitals. The union went in to organize nurses aides, orderlies,

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housekeeping aides—people at the bottom, people who the labor movement had ignored. Low wages, long hours of work, working split shifts—these were harsh conditions but were not the key organizing issues. There were two key issues: (1) nurses aides wanted to wear white uniforms like everyone else on the health care team; and (2) they wanted the opportunity to become licensed practical nurses and registered nurses. In other words, the workers wanted dignity and empowerment within the health care community and within their own institutions.

We won that organizing drive, but then DC 37 had to deliver. It wasn't difficult to get the white uniforms, a little harder to begin to develop a career ladder. We're talking about an elitist, hierarchical management. Also, in those days there was no nursing shortage, and the white male leadership just didn't think the minority women would move ahead on the health care team. But it began to happen, and education became the bread and butter issue in the early days, in the mid-60s as DC 37 began to organize over a large area.

Initially we received federal Manpower Funds to prepare nurses aides to become licensed practical nurses and registered nurses. All of a sudden, we realized a lot of our members were victims of educational systems which had failed them. If you didn't have a high school diploma, you could not become a licensed nurse. Because of that, the union just said, Why don't we help them get their high school diploma—their high school equivalency. Higher education institutions, the Board of Education—no one wanted to cooperate—so the union said: "Let's do it ourselves." We put one ad in the union newspaper and 400 people applied for that first high school equivalency class.

Gotbaum said, "What am I going to do—we don't have the money." Just one little ad and they came from all the professions, not just the nurses aides. So it became a collective bargaining issue—from a bread and butter issue to a

collective bargaining issue. Since then in the mid-60s, education has always been a bargaining issue, and the union has negotiated an education benefit.

Today, we receive through collective bargaining over $6 million to provide educational services for our members. Over 20,000 members, out of the 140,000 we represent, utilize the DC 37 educational services. We have many programs, but let me just touch on the relationship with higher education. We run most of the programs ourselves, because DC 37 feels it is the union's responsibility to provide education, just as it is the union's responsibility to provide health care benefits and process members' grievances.

Even though we run most of the programs ourselves, we have wonderful relationships with higher education. They are clear partnerships. Often, institutions of higher education come to us and think they are going to deliver a product. I get phone calls all the time—"I developed this course on . . ." and that's all I have to hear. If you haven't included us in the developmental stage, I don't want to hear it. I know something is missing from the beginning.

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So, how did we get into the field of higher education? Going back to the early 70s, we had all this money from the city to conduct educational programs, we're running high school equivalency programs, we're helping people pass civil service exams—and somebody woke up and said: "We've got to do something in terms of a college degree." Our Education Director at that time, Bernie Ritkind, said, "I'm going to get a college campus for DC 37." He went to CUNY and found closed doors. He went to every private institution in New York City—no response. The State Board of Regents was of no help because adults going back to school just weren't prepared, in their opinion.

At this time, the College of New Rochelle, a women's Catholic college just north of New York City in West Chester County, was seeking to develop something new called the School of New Resources, a program for adult learners offering credit for life experiences. The College wanted the adult learners to participate in the development of the curriculum, a radical idea in the early 70s. So it was a marriage made in heaven. The first two campuses of the College's School of New Resources were at DC 37, solely for DC 37 members.

and up at the main campus for anyone who wanted to attend. That institution and our relationship still exists, and continues to grow and change with the times.

We have a partnership with the College of New Rochelle, and very clearly stated in that contract is the stipulation that the Director of the DC 37 campus is jointly decided by the College and the Union—unheard of in the academic community. But for the College to work, the Union had to be a real partner.

Since that time, we have realized there were other higher education needs of our members which the College of New Rochelle could not provide. The College offers a wonderful, liberal arts degree for non-traditional students, but many of our members need things that go beyond the liberal arts. We realize the importance of the liberal arts degree, to pick up on Joe Murphy's point, but technical education is also important. When we talk about lifelong learning, does it matter what you get first. Perhaps they can be given together.

Realizing that some of our members needed specialized technical skills that the College couldn't provide, we worked closely with higher education in the City, mostly with CUNY, to give our members technical skills and provide access to the population of New York City.

For example, there was recently a great need for Emergency Medical Service (EMS) personnel, and one of the problems was that under the EMS, there was two job titles: Emergency Medical Technician (EMT) with basic skills in terms of emergency medicine, and a person called the "paramedic" with higher level skills. If you look at our membership, the EMTs were representative of the New York City community—minorities, women, but when you look at the paramedic demographics, they were all white males, primarily from the suburbs. They weren't New Yorkers.

The way you became a paramedic in New York, the only way up until about four years ago, was to go through a paramedic training program sponsored by a local hospital or the New York City Health and Hospital Corporation. We realized that many people were being denied the opportunity to become paramedics because they didn't have the academic background to deal with that rigorous science and math program. Many of our EMTs could not go into the paramedic program for the same reason. So we worked with a local community college to develop an Associate Degree Program in Paramedic Studies—the first in New York State. There may only be four or five in the country. But the program gave access to an important career for people in New York City, for people who lived in the city, and we could say to New York City, don't go to Nassau and Suffolk County to hire these people when we have people here who can do it.

Second, and important to our members is that the program helps to professionalize the field. CUNY gave 36 credits for paramedic students in the non-university setting, recognizing the value of the training. Many of our paramedics got the Associate Degree in one year, and it opened up new career ladders within the allied health professions.

We have worked with other New York City institutions. We have good relations with CUNY, thanks to Chancellor Joe Murphy, who has enabled us to work with CUNY people who understand adults, their need for access and higher education services such as counseling and book stores that are open in the evening.

Labor has been active in going to CUNY, which has just established a Labor Advisory Committee to the Chancellor, with subcommittees on programs and another on student services. What do the members of the labor community

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need to go back to school? What are those services? Besides doing program development with CUNY and the College of New Rochelle, we use the CUNY institutions and other higher education institutions of New York City for union-related research (e.g., on comparable worth). Hunter College has a fine School of Environmental Sciences which we have used for research and training on rank and file OSHA training.

We've also used Columbia University to do medical studies. Many of our members work for New York incinerators. An industrial hygiene study raised the issue of whether our members had been over exposed to lead. A private sector union may have been satisfied with the local health department's role in monitoring the workers. For our members, the N.Y.C. Health Department is part of management. As a result, we worked with a team from Columbia University in order to determine whether our members had any health problems. Working with a private sector university-based medical facility helps to insure the confidentiality of our members' medical records.

So DC 37 has been into education for a long time, with the strong participation of our higher education institutions, while we also continue to do our own thing.

First-Year Progress Report on the Bush Administration

First-Year Progress Report on the Bush Administration

William Schneider

William Schneider is Resident Fellow at the American Enterprise Institute, Political Analyst, Syndicated Columnist, and TV commentator.

George Bush is a master of inherent politics. By this I mean that he considers everything, or almost everything, negotiable. The voters in 1988 were satisfied with the status quo, and so what we got is a status quo president.

Bush has been lucky to some extent. The economy has stayed level, there have been no great foreign-policy calamities, and the President has averaged an approval rating of 63 percent in recent polls, higher than all previous presidents in their first year. No vision, no bold new policies or direction. Bush has done what the voters seemingly elected him to do—manage the status quo.

But managing the status quo can also mean being hostage to the status quo. That is especially dangerous when the world is changing so rapidly. Reagan was not a status quo President. He stood for something, for a set of ideas, and based his presidency on them. He was at once bold yet terribly naive, for example when he talked about painless deficits, Star Wars, freedom fighters, and his offer at Reykjavik to abolish all nuclear weapons. Yet he was not fearful of change.

When faced with the student protests, with the dramatic changes in Eastern Europe and in Soviet empire, Bush's response has been basically, "I think this

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perhaps is a time for caution." In other words, democracy may be fine but it shouldn't disturb the status quo.

Whereas Reagan often saw issues as "us" versus "them," Bush has set out in his first year to smooth over the bitter divisions in American politics, to plead for tolerance. Bush has frequently changed his image, being the Bush the Wimp in the primaries, Bush the Tough Guy in the general election, and Bush the Old Pro after the election—cautious, reassuring, and thoroughly pragmatic.

Something is missing in Bush. Perhaps it's that hard core of conviction one sensed in Reagan. Bush once said, "I believe in unions, I believe in nonunions" while touring a furniture factory here in North Carolina. Principles important to Reagan do not seem to be at work here. Stubbornness without conviction, as when Bush defended his nomination of Tower with the claim of executive privilege, can get a President in trouble. Politicians are at their best when their principles are clear—remember Jimmy Carter and Camp David or on the Panama treaty.

Bush is easily rattled. He seems paralyzed by the twin fears of being called a wimp and the fear of creating controversy, all evidence of some personal insecurity. Reagan would take a firm stand on an issue and challenge Congress. Bush prefers to make a deal outside the public limelight. He feels comfortable with compromise and having to shift his position. On the federal budget, aid to the contras, NATO, and the minimum wage, Bush struck a deal. This has served to deflect Democratic criticism, with few complaints about a President who wants to make a deal with them.

Bush perceives the President as the great facilitator, not the great communicator. Politics is not heroics but negotiation. There are two issues where Bush has drawn the line, however, abortion and taxes. Unlike Reagan the ideologue, Bush the pragmatist has difficulties with conflict. On abortion and taxes he comes across as a calculator, adhering to positions so he will not antagonize core Republican constituencies.

The Bush administration has brought a high standard of professionalism to government. Appointments in the policy area are for the most part moderates, some of whom are holdovers from the Reagan administration (Brady, Webster, Thornburgh, Cavazos, Baker). None are agenda setters; they are problem solvers offering, like Bush himself, strong qualifications and extensive experience. They are not ideological hardliners, but they also don't have a lot of new ideas.

I wouldn't call this approach to government leadership. It's more like management, reacting to situations. It is an "in-box" approach to government. You respond to the problems reaching your desk, and you work to get them off your desk.

I've detected a particular rhythm to the Bush presidency. A crisis arises—protests in China, the savings-and-loan problem, Eastern Europe. The press goes on the offensive claiming the administration is weak, indecisive and lacks a policy. The administration claims it is being prudent. Bush suddenly steps in, announces a policy and strikes a deal. The press pronounces Bush's intervention a success, the President's popularity soars and the public goes on to another issue. The in-box is clean.

We have also seen over the last year a President who is a master of the politics of good intentions. He identifies a major problem—education, drugs, homelessness—but has no intention of putting money into the solution, calling instead on the national good will ("a thousand points of light"). Diplomatic initiatives suffer a similar fate—there is no money. Gorbachev issues a bold

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challenge, for example, offering to withdraw 500 nuclear missiles from Europe, and we offer a grudging, small-minded response that reinforces our status-quo image. The world changes; the U.S. stands still. The world is still waiting for a Bush doctrine that defines our response to the dramatic events in the Soviet Union and Eastern Europe. When the Berlin Wall opened on November 9, we didn't hear a Kennedyesque statement. Instead, the President said, "We are not trying to give anybody a hard time." It has been a year of missed opportunities for the U.S.

Still, the polls for Bush stay high, and the Bush administration's cautious, measured approach to foreign policy stays politics-driven—Reaganism without risks. As one state department official explained the Bush foreign policy, "The Soviet game is chess, where you think out your strategy ten moves ahead, and Gorbachev is a chess player. Our game is baseball. You play it one inning at a time, but it's the final score that counts. Gorbachev may hit an occasional grand slam. We are going to try to win on singles."

However timid or unimaginative Republican policies may be, the Administration can usually rely on the even greater incompetence of the Democrats to save them. The GOP strategy calls for roll-call votes in Congress on controversial issues like flag burning and censorship, hoping Democrats who take stands

on these issues will be exposed as liberals in the 1990 elections. There is one lesson Democrats have been unable to learn from the Republicans—how to behave like a true opposition party. They continue to be on the defensive, persisting in the belief that they run the country. They still don't understand that their fundamental problem in the Bush era is not values, but taxes. Republicans have simply controlled the political agenda through manipulation of the anti-tax sentiment on the part of the public.

From the 1930s through the 1960s, the Democrats maintained their political hegemony with the spending issue. But national sentiment has changed, and now Democrats are finding tax cuts as irresistible as Republicans used to find spending bills. The capital gains tax cut, condemned by the Democrats as a "tax giveaway to the wealthy," encountered little public resistance. The catastrophic

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illness plan was originally held up as a model of how to finance social initiatives in a deficit era. What was called a "supplemental premium" was really a tax for more affluent Medicare recipients. The result was a wave of angry protests and repeal. The elderly, previously a core spending constituency, suddenly began militating against taxes. How can Democrats talk about "a new agenda for social progress" if they can't find anyone to pay for it?

Bush's major problems over the next few years will come from the challenge of holding together two different constituencies—Reagan's conservative coalition and the Washington power elite, who see Bush as a cautious, moderate pragmatist. The balance will hold as long as things go well for Bush. The question is whether the conservatives and the establishment will go to the mat for the President if he gets into trouble.

Bush doesn't have the full trust of the conservatives, and the power elite will stick with him only as long as his policies are successful. They'll be the first to abandon him if things start to fall apart, as they did Gerald Ford and Jimmy Carter.

Bush's popularity reflects a simple fact. He may well be the right President for our times. The country is not in the mood for big ambitions, and Bush offers none. But there is one thing he has to worry about—times will surely change.

Appendices

Appendix A

New Dimensions for Labor-Higher Education Cooperation

Discussion Leaders:
James F. Gollattscheck, Group A
M.E. Nichols, Group B
Allan W. Ostar, Group C
Christopher Scott, Group D

Participants were asked to offer their ideas on new dimensions for labor-higher education collaboration. The following summarizes these ideas.

GROUP A

Group A reported enthusiasm for the idea of creating new labor-campus activities, and presented the plenary with the following recommendations:

State-Level Activities

- The thrust of the Council should be moved from the national level into the states, creating dialogues where they do not exist, and expanding on existing labor-higher education activities. Consider sub-state regional efforts where feasible.
- Involve students. Invite student editors to labor conferences and meetings. Enlist their legislative support as students on Federal Aid express concerns and outrage on Congressional/Administration changes in aid.
- Attempt to involve all institutions, public and private. Private universities may not be as responsive to state-level dialogues and programs. Make a special effort to bring in the community colleges.
- Consider the mechanics of state-level cooperative efforts. The initiative has to come from both labor and higher education. Give consideration to a state standing committee or council that can address educational issues on a continuing basis.

- Labor and higher education leadership have to come to know each other, how to talk to each other, and the benefits of addressing common concerns through a labor-higher education dialogue.
- Encourage labor membership on higher education boards of trustees and regents in states where there is no labor representation. The Group urged caution in "mandating" representation of labor, preferring the operation of the normal appointment procedure to include labor candidates with broad views and demonstrated support for education.

Local-Regional Cooperation

- Build labor-campus connections with small-scale efforts to overcome the negative connotations of linkages with unions by colleges and universities—vis-a-vis the positive connotations of links with the business community.
- Involve union leadership in campus events.
- Work with campuses with a multiplicity of labor contacts and not single or token programs.
- Develop model labor/higher education projects to communicate to other institutions.

National Clearinghouse Functions

- The Council should document examples of what works in labor-higher education programs in specific circumstances so as to respond quickly to a particular labor or higher education issue with usable advice.

GROUP B

Group B reported a lively discussion, strong support for the work of the Council, and the following recommendations:

Council Visibility

- Increase the visibility of the Council's existence and activities. One step would be the wider distribution of the proceedings of the national meeting.
- Continue to document and communicate specific models of labor-higher cooperation in the states.
- Determine new areas for cooperation: (a) invite higher education leaders to labor conferences and meetings; (b) exchange professional expertise (e.g., using retired labor leaders as adjunct faculty, bringing faculty and administrators to labor schools); (c) integrate labor ideas into the higher education curriculum, especially social history, critical thinking at the work place, the school-to-work transition, and labor history; and (d) develop case studies and guides, perhaps with the support of the state humanities councils.

Labor Representation on Higher Education Boards

- Encourage labor representation, including the collection of information for union officials on how to serve, the issues, and involvement of the labor community.

The "Conversion" Issue

- The Council should raise the issue of the peace dividend, or conversion of defense expenditures to domestic needs—a national dialogue is needed.

GROUP C

Group C summed up its discussion with the idea that a partnership and dialogue between labor and higher education should be developed at all levels—no matter who takes the initiative. The Group suggested the following mechanisms to accomplish this goal:

State-Level Activities

- Conduct campus-based seminars on public issues like health care—emphasizing labor participation.
- Develop labor/higher education councils on the state and local levels.
- Encourage labor to make greater use of campus services. This means making labor aware of what the colleges and universities can offer, and perhaps publishing a Resource Guide of services available.
- Strengthen worker participation in campus governance. Urge appointment of one labor person on all governing boards.
- Encourage labor cooperation with the campuses, e.g., internships, cooperative student programs.
- Invite faculty to consult with labor unions on important issues—labor is ready and willing to do this.

Council Activities

- The Council should consider establishing routine communications with interested labor and higher education leadership, including a newsletter, other publications, and periodic meetings and seminars.
- Survey unions on their needs for higher education, both for the organizations and for their membership. Communicate these needs to higher education with ideas how these institutions can assist.
- Joint labor/higher education legislative action is needed on pressing legislative issues of mutual concern.

  What does labor expect in return when joint legislative action is requested—e.g., establishment of a working relationship with the cam-

pus, development of college and university programs of benefit to labor. The first phone call should not be "We need your help on funding."

GROUP D

Group D reported an unusually spirited discussion covering the following points:

State-level Activities

- Agreed on importance of establishing connections at the state and local levels, but questioned best way to accomplish this task. One suggestion is the mutual support by labor and higher education for legislative initiatives, especially funding.
- Increase labor courses on campuses, and make greater use of CAEL offices and the new transfer program at ACE.

Conversion Funds

- Labor and higher education should put together a jointly-sponsored Conversion Research Team, possibly including the Business/Higher Education Forum, to get out in front on the issue of conversion of the economy without extensive dislocation.

  Consider a series of forums, jointly sponsored, around the country to raise the issue. Also "Op Ed" columns to be out front on the issue, especially where it intersects labor and higher education interests, such as retraining the work force and avoiding community dislocation.

Creating Colleges of Labor

- It may be time to look at a College of Labor on our campuses, just as we have Business Colleges, as a new discipline or amalgamation of disciplines.

Council Activities

- The Council should raise the question of what is labor's expectation of a college or university, and vice versa? How do you incorporate those expectations into the research, instructional, and service programs of the university?
- Increase the Council's visibility through the media, with both labor and higher education doing a better job in this area.

Appendix B

Participants

Lewis M. Abernathy—Professor/Chair, Department of Economics, University of North Texas

Mark Anderson—Head of the Office of International Trade, Department of Economic Research, AFL-CIO

Robert H. Atwell—President, ACE

Ronald E. Beller—President, East Tennessee State University

Richard Block—Vice President for Planning and Liaison, Hofstra University

Diana Cecil—Executive Assistant to the President, ACE

Elmer Chatak—Secretary-Treasurer, Industrial Union Department, AFL-CIO

Robert L. Clodius—President, National Association of State Universities and Land-Grant Colleges

Robert A. Corrigan—President, San Francisco State University

Guy Dickinson—Secretary-Treasurer, Retail, Wholesale & Department Store Union

Thomas R. Donahue—Secretary-Treasurer, AFL-CIO

Judith Eaton—Vice President, ACE

James V. Foran—Vice President, Association of Independent Colleges & Schools

Robert L. Gale—President, Association of Governing Boards

Michelle Gittelman—Associate TNC Affairs Officer, United Nations Center on Transnational Corporations

James F. Gollattscheck—Vice President, American Association of Community and Junior Colleges

Jack Golodner—President, Department for Professional Employees, AFL-CIO

Harold H. Haak—President, California State University – Fresno

Robert F. Harbrant—President, Food and Allied Service Trades Department, AFL-CIO

Robert J. Haynes—Secretary Treasurer, Massachusetts AFL-CIO

Thomas K. Hearn—President, Wake Forest University

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Jacqueline Knoetgen—Dean of Education, Seafarers Harry Lundeberg School of Seamanship

Kitty Krupat—Education Director, International Ladies Garment Workers Union

Carl Lansden—International Vice President, International Brotherhood of Electrical Workers

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Sid Lipshires—President, Congress of Connecticut Community Colleges, 1119 Service Employees International Union

Edward J. Liston—President, Community College of Rhode Island

William Lucy—International Secretary-Treasurer, American Federation of State, County & Municipal Employees

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LABOR/HIGHER EDUCATION COUNCIL

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